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110TH CONGRESS
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HOUSE OF REPRESENTATIVES

REPT. 110–500
Part 1

COLLEGE OPPORTUNITY AND AFFORDABILITY ACT OF 2007

R E P O R T

OF THE

COMMITTEE ON EDUCATION AND LABOR

TOGETHER WITH

ADDITIONAL VIEWS

TO ACCOMPANY

H.R. 4137

DECEMBER 19, 2007.—Ordered to be printed

COLLEGE OPPORTUNITY AND AFFORDABILITY ACT OF 2007

110TH CONGRESS *1st Session* } HOUSE OF REPRESENTATIVES { REPT. 110–500 Part 1

COLLEGE OPPORTUNITY AND AFFORDABILITY ACT OF 2007

DECEMBER 19, 2007.—Ordered to be printed

Mr. GEORGE MILLER of California, from the Committee on Education and Labor, submitted the following

R E P O R T

together with

ADDITIONAL VIEWS

[To accompany H.R. 4137]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and Labor, to whom was referred the bill (H.R. 4137) to amend and extend the Higher Education Act of 1965, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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 Opportunity and Affordability Act of 2007".

(b) TABLE OF CONTENTS.—

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SEC. 2. REFERENCES; EFFECTIVE DATE.

(a) REFERENCES.—Except as otherwise expressly provided therein, 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.).

(b) EFFECTIVE DATE.—Except as otherwise provided in this Act or the amendments made by this Act, the amendments made by this Act shall be effective on the date of enactment of this Act.

TITLE I—TITLE I AMENDMENTS

SEC. 101. DEFINITIONS OF INSTITUTION OF HIGHER EDUCATION.

(a) DEGREE PROGRAMS.—Section 101 (20 U.S.C. 1001) is amended—

(1) in subsection (a)(3), by inserting ", or awards a degree that is acceptable for admission to a graduate or professional degree program, subject to review and approval by the Secretary" after "such a degree"; and

(2) by striking subsection (b)(2) and inserting the following:

"(2) a public or nonprofit private educational institution in any State that, in lieu of the requirement in subsection (a)(1), admits as regular students persons—

"(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.".

(b) INTERNATIONAL MEDICAL SCHOOLS.—Section 102(a)(2)(A) (20 U.S.C. 1002(a)(2)(A)) is amended—

(1) in the first sentence, by inserting "nursing school," after "graduate medical school,";

(2) in clause (i)—

(A) by striking "or" at the end of subclause (I); and

(B) by striking subclause (II) and inserting the following new subclauses:

"(II) the institution has or had a clinical training program that was approved by a State as of January 1, 1992, and continues to operate a clinical training program in at least one State, which is approved by that State; or

"(III) the institution—

"(aa) has a clinical training program that was approved by a State before January 1, 2008;

"(bb) certifies only unsubsidized Stafford or PLUS loans under part B of title IV to graduate and professional students attending the institution; and

"(cc) agrees to reimburse the Secretary for the cost of any loan defaults for students included in the institution's cohort default rate during the previous fiscal year; or"; and

(3) by striking the period at the end of clause (ii) and inserting "; or"; and

(4) by adding at the end the following new clause:

"(iii) in the case of a nursing school located outside of the United States, the institution—

"(I) has agreements with hospitals and eligible nursing schools located in the United States that include provisions for students to complete their clinical training at such hospitals and eligible nursing schools;

"(II) certifies only unsubsidized Stafford and PLUS loans under part B of title IV for students attending the institution; and

"(III) agrees to reimburse the Secretary for the cost of any loan defaults to the extent that the institution's cohort default rate exceeds 5 percent.".

(c) CONFORMING AMENDMENT CONCERNING 90/10 ENFORCEMENT.—Section 102(b)(1) (20 U.S.C. 1002(b)(1)) is amended—

(1) by adding "and" after the semicolon in subparagraph (D);
(2) by striking "; and" and inserting a period in subparagraph (E); and
(3) by striking subparagraph (F).

(d) ADDITIONAL INSTITUTIONS.—Section 102 (20 U.S.C. 1002) is further amended—
(1) by striking subsection (b)(2) and inserting the following:
"(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."; and
(2) by striking subsection (c)(2) and inserting the following:
"(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. 102. ADDITIONAL DEFINITIONS.

(a) AMENDMENT.—Section 103 (20 U.S.C. 1003) is amended—
(1) by adding at the end the following new paragraphs:
"(17) 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.
"(18) 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. 149, 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)), 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.
"(19) DISTANCE EDUCATION.—
"(A) IN GENERAL.—Except as otherwise provided, the term 'distance education' means education that uses 1 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 cassette, DVDs, and CD–ROMs, if the cassette, DVDs, and CD–ROMs are used in a course in conjunction with the technologies listed in clauses (i) through (iii).
"(20) HIGH-NEED SCHOOL.—Except with respect to title II, the term 'high-need school' means a public or nonprofit private elementary or secondary school which is in a local educational agency which is eligible for assistance pursuant to title I of the Elementary and Secondary Education Act of 1965 in the applicable fiscal year, and 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 section 1113(a)(5) of the Elementary and Secondary Education Act of 1965 exceeds 30 percent of the total enrollment of that school.
"(21) LIMITED ENGLISH PROFICIENT.—The term 'limited English proficient' has the meaning given such term in section 9101 of the Elementary and Secondary Education Act of 1965.

"(22) UNIVERSAL DESIGN.—The term 'universal design' means a concept or philosophy for designing and delivering products and services that are usable by people with the widest possible range of functional capabilities, which include products and services that are directly accessible (without requiring assistive technologies) and products and services that are interoperable with assistive technologies.

"(23) UNIVERSAL DESIGN FOR LEARNING.—The term 'universal design for learning' means a research-based framework for designing curriculum (including goals, methods, materials, and assessments) that—

"(A) provides curricular flexibility in the ways information is presented, in the ways students respond or demonstrate knowledge, and in the ways students are engaged; and

"(B) reduces barriers in instruction and assessment, provides appropriate supports and challenges, and maintains high achievement standards for all students, including students with disabilities."; and

(2) by reordering paragraphs (1) through (16) and the paragraphs added by paragraph (1) of this subsection in alphabetical order based on the headings of such paragraphs, and renumbering such paragraphs as so reordered.

(b) CONFORMING AMENDMENTS.—The Act (20 U.S.C. 1001 et seq.) is amended—

(1) in section 131(a)(3)(B) (20 U.S.C. 1015(a)(3)(B)), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees";

(2) in section 141(d)(4)(B) (20 U.S.C. 1018(d)(4)(B)), by striking "Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate" and inserting "authorizing committees";

(3) in section 401(f)(3) (20 U.S.C. 1070a(f)(3)), by striking "to the Committee on Appropriations" and all that follows through "House of Representatives" and inserting "to the Committee on Appropriations of the Senate, the Committee on Appropriations of the House of Representatives, and the authorizing committees";

(4) in section 428 (20 U.S.C. 1078)—

(A) in subsection (c)(9)(K), by striking "House Committee on Education and the Workforce and the Senate Committee on Labor and Human Resources" and inserting "authorizing committees";

(B) in the matter following paragraph (2) of subsection (g), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees"; and

(C) in subsection (n)(4), by striking "Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate" and inserting "authorizing committees";

(5) in section 428A(c) (20 U.S.C. 1078–1(c))—

(A) in the matter preceding subparagraph (A) of paragraph (2), by striking "Chairperson" and all that follows through "House of Representatives" and inserting "members of the authorizing committees";

(B) in paragraph (3), by striking "Chairperson" and all that follows through "House of Representatives" and inserting "members of the authorizing committees"; and

(C) in paragraph (5), by striking "Chairperson" and all that follows through "House of Representatives" and inserting "members of the authorizing committees";

(6) in section 432 (20 U.S.C. 1082)—

(A) in subsection (f)(1)(C), by striking "the Committee on Education and the Workforce of the House of Representatives or the Committee on Labor and Human Resources of the Senate" and inserting "either of the authorizing committees"; and

(B) in the matter following subparagraph (D) of subsection (n)(3), by striking "Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate" and inserting "authorizing committees";

(7) in section 437(c)(1) (20 U.S.C. 1087(c)(1)), by striking "Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate" and inserting "authorizing committees";

(8) in section 439 (20 U.S.C. 1087–2)—

(A) in subsection (d)(1)(E)(iii), by striking "advise the Chairman" and all that follows through "House of Representatives" and inserting "advise the members of the authorizing committees";

(B) in subsection (r)—

(i) in paragraph (3), by striking "inform the Chairman" and all that follows through "House of Representatives," and inserting "inform the members of the authorizing committees";

(ii) in paragraph (5)(B), by striking "plan, to the Chairman" and all that follows through "Education and Labor" and inserting "plan, to the members of the authorizing committees";

(iii) in paragraph (6)(B)—

(I) by striking "plan, to the Chairman" and all that follows through "House of Representatives" and inserting "plan, to the members of the authorizing committees"; and

(II) by striking "Chairmen and ranking minority members of such Committees" and inserting "members of the authorizing committees";

(iv) in paragraph (8)(C), by striking "implemented to the Chairman" and all that follows through "House of Representatives, and" and inserting "implemented to the members of the authorizing committees, and to"; and

(v) in the matter preceding subparagraph (A) of paragraph (10), by striking "days to the Chairman" and all that follows through "Education and Labor" and inserting "days to the members of the authorizing committees"; and

(C) in subsection (s)(2)—

(i) in the matter preceding clause (i) of subparagraph (A), by striking "Treasury and to the Chairman" and all that follows through "House of Representatives" and inserting "Treasury and to the members of the authorizing committees"; and

(ii) in subparagraph (B), by striking "Treasury and to the Chairman" and all that follows through "House of Representatives" and inserting "Treasury and to the members of the authorizing committees";

(9) in section 455(b)(8)(B) (20 U.S.C. 1087e(b)(8)(B)), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees";

(10) in section 482(d) (20 U.S.C. 1089(d)), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives" and inserting "authorizing committees";

(11) in section 483(c) (20 U.S.C. 1090(c)), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees";

(12) in section 485 (20 U.S.C. 1092)—

(A) in subsection (f)(5)(A), by striking "Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate" and inserting "authorizing committees"; and

(B) in subsection (g)(4)(B), by striking "Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate" and inserting "authorizing committees";

(13) in section 486 (20 U.S.C. 1093)—

(A) in subsection (e), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees"; and

(B) in subsection (f)(3)—

(i) in the matter preceding clause (i) of subparagraph (A), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees"; and

(ii) in the matter preceding clause (i) of subparagraph (B), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees";

(14) in section 487A(a)(5) (20 U.S.C. 1094a(a)(5)), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education

and the Workforce of the House of Representatives" and inserting "authorizing committees"; and

(15) in section 498B(d) (20 U.S.C. 1099c–2(d))—

(A) in paragraph (1), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees"; and

(B) in paragraph (2), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees".

SEC. 103. TREATMENT OF TERRITORIES AND TERRITORIAL STUDENT ASSISTANCE.

Section 113 (20 U.S.C. 1011b) is amended—

(1) by striking "**TREATMENT OF TERRITORIES AND TERRITORIAL STUDENT ASSISTANCE**" in the heading of such section and inserting "**TERRITORIAL WAIVER AUTHORITY**"; and

(2) by striking "(a) WAIVER AUTHORITY.—"; and

(3) by striking subsection (b).

SEC. 104. NATIONAL ADVISORY COMMITTEE ON INSTITUTIONAL QUALITY AND INTEGRITY.

(a) AMENDMENT.—Section 114 (20 U.S.C. 1011c) is amended to read as follows:

"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 such institutions under title IV.

"(b) MEMBERSHIP.—

"(1) IN GENERAL.—The Committee shall have 18 members, of which—

"(A) 6 members shall be appointed by the Secretary;

"(B) 6 members shall be appointed by the Speaker of the House of Representatives, 3 members on the recommendation of the majority leader of the House of Representatives, and 3 members on the recommendation of the minority leader of the House of Representatives; and

"(C) 6 members shall be appointed by the President pro tempore of the Senate, 3 members on the recommendation of the majority leader of the Senate, and 3 members 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 6 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) 3 years for members appointed under paragraph (1)(A);

"(B) 4 years for members appointed under paragraph (1)(B); and

"(C) 6 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;

"(6) take into consideration the complaints, and the resolution of such complaints, received by the ombudsman described in section 497 when advising the Secretary with respect to the recognition of a specific accrediting agency or association; and

"(7) 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) FEDERAL ADVISORY COMMITTEE ACT.—The provisions of 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) LIMITATION.—The Committee shall not recommend denial of an application related to the recognition of an accrediting agency or association for any reason other than a reason set forth in section 496.

"(f) 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 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 September 30 of each year, the Committee shall make 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 preceding fiscal year;

"(B) a list of the date and location of each meeting during the preceding fiscal year;

"(C) a list of the members of the Committee and appropriate contact information; and

"(D) a list of the functions of the Committee, including any additional functions established by the Secretary through regulation.

"(g) TERMINATION.—The Committee shall terminate on September 30, 2012.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall be effective January 1, 2009.

SEC. 105. DRUG AND ALCOHOL ABUSE PREVENTION.

Section 120 (20 U.S.C. 1011i) is amended—

(1) in subsection (a)(2)—

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

(B) by redesignating subparagraph (B) as subparagraph (D); and

(C) by inserting after subparagraph (A) (as amended by subparagraph (A) of this paragraph) the following:

"(B) determine the number of drug and alcohol-related incidents and fatalities that—

"(i) occur on the institution's property or as part of any of the institution's activities; and

"(ii) are reported to the institution;

"(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 incidents and fatalities on the institution's property or as part of any of the institution's activities; and";

(2) in subsection (e)(5), by striking "1999" and inserting "2009"; and

(3) by striking subsection (f).

SEC. 106. PRIOR RIGHTS AND OBLIGATIONS.

Section 121(a) (20 U.S.C. 1011j(a)) is amended—

(1) in paragraph (1), by striking "1999 and for each of the 4 succeeding fiscal years" and inserting "2009 and for each succeeding fiscal year"; and

(2) in paragraph (2), by striking "1999 and for each of the 4 succeeding fiscal years" and inserting "2009 and for each succeeding fiscal year".

SEC. 107. IMPROVED INFORMATION CONCERNING THE FEDERAL STUDENT FINANCIAL AID WEBSITE.

Section 131 (20 U.S.C. 1015) is amended by striking subsection (d) and inserting the following:

"(d) PROMOTION OF THE DEPARTMENT OF EDUCATION FEDERAL STUDENT FINANCIAL AID WEBSITE.—The Secretary—

"(1) shall display a link to the Federal student financial aid website of the Department of Education in a prominent place on the homepage of the Department of Education website; and

"(2) may use administrative funds available for the Department's operations and expenses for the purpose of advertising and promoting the availability of the Federal student financial aid website.

"(e) PROMOTION OF AVAILABILITY OF INFORMATION CONCERNING STUDENT FINANCIAL AID PROGRAMS OF OTHER DEPARTMENTS AND AGENCIES.—

"(1) AVAILABILITY OF INFORMATION.—The Secretary shall ensure that the eligibility requirements, application procedures, financial terms and conditions, and other relevant information for each non-departmental student financial assistance program are easily accessible through the Federal student financial aid website and are incorporated into the search matrix on such website in a manner that permits students and parents to readily identify the programs that are appropriate to their needs and eligibility.

"(2) AGENCY RESPONSE.—Each Federal department and agency shall promptly respond to surveys or other requests for the information required by paragraph (1), and shall identify for the Secretary any non-departmental student financial assistance program operated, sponsored, or supported by such Federal department or agency.

"(3) DEFINITION.—For purposes of this subsection, the term 'non-departmental student financial assistance program' means any grant, loan, scholarship, fellowship, or other form of financial aid for students pursuing a postsecondary education that is—

"(A) distributed directly to the student or to the student's account at on institution of higher education; and

"(B) operated, sponsored, or supported by a Federal department or agency other than the Department of Education.".

SEC. 108. STATE COMMITMENT TO AFFORDABLE COLLEGE EDUCATION.

Part C of title I (20 U.S.C. 1015) is amended by adding at the end the following new section:

"SEC. 132. STATE COMMITMENT TO AFFORDABLE COLLEGE EDUCATION.

"(a) MAINTENANCE OF EFFORT REQUIRED.—A State shall provide for public institutions of higher education in such State for any academic year beginning on or after July 1, 2008, an amount which is—

"(1) equal to or greater than the average amount provided by such State to such institutions of higher education during the 5 most recent preceding academic years for which satisfactory data are available; or

"(2) equal to or greater than the amount provided by such State to such institutions of higher education during the preceding academic year.

"(b) WAIVER.—The Secretary shall waive the requirements of subsection (a), if the Secretary determines that such a waiver would be equitable due to exceptional or

uncontrollable circumstances, such as a natural disaster or a precipitous decline in the financial resources of a State or State educational agency, as appropriate.

"(c) VIOLATION OF MAINTENANCE OF EFFORT.—Notwithstanding any other provision of law, the Secretary shall withhold from any State that violates subsection (a) and does not receive a waiver pursuant to subsection (b) any amount that would otherwise be available to the State under section 415E until such State has made significant efforts to correct such violation.

"(d) RESEARCH INTO COST CONTAINMENT METHODS.—The Secretary is authorized—

"(1) to identify methods of cost containment currently utilized by institutions of higher education and systems of such institutions, and research into other possible methods of cost containment;

"(2) to disseminate—

"(A) the information obtained by such research to such institutions and systems; and

"(B) other information concerning research that has identified successful methods of cost containment;

"(3) to publicly recognize institutions of higher education that are doing an effective job at cost containment; and

"(4) to work together with such institutions and systems to implement these methods.".

SEC. 109. TRANSPARENCY IN COLLEGE TUITION FOR CONSUMERS.

Part C of title I (20 U.S.C. 1015) is further amended by adding after section 132 (as added by section 108 of this Act) the following new section:

"SEC. 133. TRANSPARENCY IN COLLEGE TUITION FOR CONSUMERS.

"(a) NET PRICE.—In this section, the term 'net price' means the average yearly tuition and fees paid by a full-time undergraduate student at an institution of higher education, after discounts and grants from the institution, the Federal Government, or a State have been applied to the full price of tuition and fees at the institution.

"(b) HIGHER EDUCATION PRICE INDEX.—

"(1) IN GENERAL.—Not later than 1 year after the date of enactment of the College Opportunity and Affordability Act of 2007, the Bureau of Labor Statistics, in consultation with the Commissioner of Education Statistics and representatives of institutions of higher education, shall develop higher education price indices that accurately reflect the annual change in tuition and fees for undergraduate students in the categories of institutions listed in paragraph (2). Such indices shall be updated annually. Prior to the completion of the higher education price index, the Secretary is authorized to use an alternative, comparable index.

"(2) DEVELOPMENT.—The higher education price indices under paragraph (1) shall be developed for each of the following categories:

"(A) 4-year public institutions of higher education.

"(B) 4-year private, nonprofit institutions of higher education.

"(C) 4-year private, for-profit institutions of higher education.

"(D) 2-year public institutions of higher education.

"(E) 2-year private, nonprofit institutions of higher education.

"(F) 2-year private, for-profit institutions of higher education.

"(G) Less than 2-year public institutions of higher education.

"(H) Less than 2-year private, nonprofit institutions of higher education.

"(I) Less than 2-year private, for-profit institutions of higher education.

"(J) All types of institutions described in subparagraphs (A) through (I).

"(c) REPORTING.—

"(1) IN GENERAL.—The Secretary shall make publicly available on an annual basis, in a sortable electronic format on the College Navigator website, a national list ranking institutions of higher education according to the percentage change and dollar change in such institutions' tuition and fees over the preceding 3 years. Such list shall be capable of being sorted by State, by category as determined under paragraph (2), by percentage change, and by dollar change. The purpose of such list is to provide consumers with general information on pricing trends among institutions of higher education nationally and in each State.

"(2) CATEGORIES.—The categories to be used for the list described in paragraph (1) are the categories listed in subparagraphs (A) through (I) of subsection (b)(2).

"(3) HIGHER EDUCATION PRICE INCREASE WATCH LISTS.—Effective July 1, 2008, the Secretary shall annually update and make publicly available on the College Navigator website, the national list developed under paragraph (1), and the list for each State, ranking each institution of higher education whose tuition and

fees outpace such institution's applicable higher education price index described in subsection (b). Such lists shall—

"(A) be known as the Higher Education Price Increase Watch Lists;

"(B) report the full price of tuition and fees at the institution and the net price;

"(C) include data cells for common expenditures for institutions to utilize;

"(D) where applicable, report the average price of room and board for students living on campus at the institution, except that such price shall not be used in determining whether an institution's cost outpaces such institution's applicable higher education price index; and

"(E) be compiled by the Secretary in a public document to be widely published and disseminated.

"(4) QUALITY EFFICIENCY TASK FORCES.—

"(A) REQUIRED.—Each institution subject to paragraph (3) shall establish a quality-efficiency task force to review the operations of such institution.

"(B) FUNCTIONS.—Such task force shall analyze institutional operating costs in comparison with such costs at other institutions within the same category of institutions. Such analysis shall identify areas where, in comparison with other institutions in such class, the institution operates more expensively to produce a similar result. Any identified areas shall then be targeted for in-depth analysis for cost reduction opportunities.

"(C) REPORT.—The results of the analysis by a quality-efficiency task force under this paragraph shall be made available to the public on the College Navigator website.

"(5) EXEMPTIONS.—Notwithstanding paragraph (3), an institution shall not be placed on the higher education watch list if, for any 3-year interval for the computed price under paragraph (1)—

"(A) with respect to the category of institutions described in paragraph (2) to which the institution belongs, the computed price of the institution is in the lowest quartile of institutions within such class, as determined by the Secretary, during the last year of such 3-year interval; or

"(B) the institution has a percentage change in its full price computed under paragraph (3) that exceeds the higher education price index, or exceeds the applicable higher education price index over the same time period, but the dollar amount of the full price increase is less than $500, or the full price increase is an average of the higher education price index plus $500 per year.

"(6) STATE HIGHER EDUCATION APPROPRIATIONS CHART.—The Secretary shall annually report on the Department's website, in charts for each State—

"(A) a comparison of the percentage change in State appropriations per enrolled student in a public institution of higher education in the State to the percentage change in tuition and fees for each public institution of higher education in the State for each of the previous 5 years; and

"(B) the total amount of need-based and merit-based aid provided by the State to students enrolled in an institution of higher education in the State.

"(d) NET PRICE CALCULATOR.—

"(1) DEVELOPMENT.—Not later than 1 year after the date of enactment of the College Opportunity and Affordability Act of 2007, the Secretary shall, in consultation with institutions of higher education, develop and make several model net price calculators to help students, families, and consumers determine the net price of an institution of higher education, which institutions of higher education may, at their discretion, elect to use pursuant to paragraph (3).

"(2) CATEGORIES.—The model net price calculators described in paragraph (1) shall be developed for each of the categories listed in subparagraphs (A) through (I) of subsection (b)(2).

"(3) USE OF NET PRICE CALCULATOR BY INSTITUTIONS.—Not later than 3 years after the date of enactment of the College Opportunity and Affordability Act of 2007, each institution of higher education that receives Federal funds under this Act shall adopt and use a net price calculator to help students, families, and other consumers determine the net price of such institution of higher education. Such calculator may be—

"(A) based on a model calculator developed by the Department; or

"(B) developed by the institution of higher education.

"(e) NET PRICE REPORTING IN APPLICATION INFORMATION.—An institution of higher education that receives Federal funds under this Act shall include, in the materials accompanying an application for admission to the institution, the most recent information regarding the net price of the institution, calculated for each quartile of students based on the income of either the students' parents or, in the case of independent students (as such term is described in section 480), of the students, for

each of the 2 academic years preceding the academic year for which the application is produced.

"(f) ENHANCED COLLEGE NAVIGATOR.—

"(1) UNIVERSITY AND COLLEGE ACCOUNTABILITY NETWORK.—Not later than 1 year after the date of enactment of the College Opportunity and Affordability Act of 2007, the Secretary shall develop a model format for annually publicly displaying basic information about an institution of higher education that chooses to participate, to be posted on the College Navigator and made available to institutions of higher education, students, families, and other consumers. Such document shall be known as the University and College Accountability Network (U–CAN), and shall include, the following information about the institution of higher education for the most recent academic year for which the institution has available data, presented in a consumer-friendly manner:

"(A) A statement of the institution's mission and specialties.

"(B) The total number of undergraduate students who applied, were admitted, and enrolled at the institution.

"(C) Where applicable, reading, writing, mathematics, and combined scores on the SAT or ACT for the middle 50 percent range of the institution's freshman class.

"(D) Enrollment of full-time, part-time, and transfer students at the institution, at the undergraduate and (where applicable) graduate levels.

"(E) Percentage of male and female undergraduate students enrolled at the institution.

"(F) Percentage of enrolled undergraduate students from the State in which the institution is located, from other States, and from other countries.

"(G) Percentage of enrolled undergraduate students at the institution by race and ethnic background.

"(H) Retention rates for full-time and part-time first-time, first-year undergraduate students enrolled at the institution.

"(I) Average time to degree or certificate completion for first-time, first-year undergraduate students enrolled at the institution.

"(J) Percentage of enrolled undergraduate students who graduate within 2 years (in the case of 2-year institutions), and 4, 5, and 6 years (in the case of 2-year and 4-year institutions).

"(K) Number of students who obtained a certificate or an associate's, bachelor's, master's, or doctoral degree at the institution.

"(L) Undergraduate major areas of study with the highest number of degrees awarded.

"(M) The student-faculty ratio, and number of full-time, part-time, and adjunct faculty, and graduate teaching and research assistants with instructional responsibilities, at the institution.

"(N) Percentage of faculty at the institution with the highest degree in their field.

"(O) Percentage change in total price in tuition and fees and the net price for an undergraduate at the institution in each of the preceding 3 academic years.

"(P) Total average yearly cost of tuition and fees, room and board, and books and other related costs for an undergraduate student enrolled at the institution, for—

"(i) full-time undergraduate students living on campus;

"(ii) full-time undergraduate students living off campus; and

"(iii) in the case of students attending a public institution of higher education, such costs for in-State and out-of-State students living on and off campus.

"(Q) Average yearly grant amount (including Federal, State, and institutional aid) for a student enrolled at the institution.

"(R) Average yearly amount of Federal student loans, and other loans provided through the institution, to undergraduate students enrolled at the institution.

"(S) Total yearly grant aid available to undergraduate students enrolled at the institution, from the Federal Government, a State, the institution, and other sources.

"(T) Percentage of undergraduate students enrolled at the institution receiving Federal, State, and institutional grants, student loans, and any other type of student financial assistance provided publicly or through the institution, such as Federal work-study funds.

"(U) Number of students receiving Federal Pell Grants at the institution.

"(V) Average net price for all undergraduate students enrolled at the institution.

"(W) Percentage of first-year undergraduate students enrolled at the institution who live on campus and off campus.

"(X) Information on the policies of the institution related to transfer of credit from other institutions.

"(Y) Information on campus safety required to be collected under section 485(f).

"(Z) Links to the appropriate sections of the institution's website that provide information on student activities offered by the institution, such as intercollegiate sports, student organizations, study abroad opportunities, intramural and club sports, specialized housing options, community service opportunities, cultural and arts opportunities on campus, religious and spiritual life on campus, and lectures and outside learning opportunities.

"(AA) Links to the appropriate sections of the institution's website that provide information on services offered by the institution to students during and after college, such as internship opportunities, career and placement services, and preparation for further education.

"(2) CONSULTATION.—The Secretary shall ensure that current and prospective college students, family members of such students, and institutions of higher education are consulted in carrying out paragraph (1).

"(g) STUDENT AID RECIPIENT SURVEY.—

"(1) SURVEY REQUIRED.—The Secretary shall conduct a survey of student aid recipients under title IV on a regular cycle and State-by-State basis, but not less than once every 4 years—

"(A) to identify the population of students receiving Federal student aid;

"(B) to describe the income distribution and other socioeconomic characteristics of federally aided students;

"(C) to describe the combinations of aid from State, Federal, and private sources received by students from all income groups;

"(D) to describe the debt burden of educational loan recipients and their capacity to repay their education debts, and the impact of such debt burden on career choices;

"(E) to describe the role played by the price of postsecondary education in the determination by students of what institution to attend; and

"(F) to describe how the increased costs of textbooks and other instructional materials affects the costs of postsecondary education to students.

"(2) SURVEY DESIGN.—The survey shall be representative of full-time and part-time, undergraduate, graduate, professional, and current and former students in all types of institutions, and designed and administered in consultation with the Congress and the postsecondary education community.

"(3) DISSEMINATION.—The Commissioner of Education Statistics shall disseminate the information resulting from the survey in both printed and electronic form.

"(h) REGULATIONS.—The Secretary is authorized to issue such regulations as may be necessary to carry out the provisions of this section.".

SEC. 110. TEXTBOOK INFORMATION.

Part C of title I (20 U.S.C. 1015) is further amended by adding after section 133 (as added by section 109 of this Act) the following new section:

"SEC. 134. TEXTBOOK INFORMATION.

"(a) PURPOSE AND INTENT.—The purpose of this section is to ensure that every student in higher education is offered better and more timely access to affordable course materials by educating and informing faculty, students, administrators, institutions of higher education, bookstores, distributors, and publishers on all aspects of the selection, purchase, sale, and use of course materials. It is the intent of this section—

"(1) to have all involved parties work together to identify ways to decrease the cost of college textbooks and supplemental materials for students while protecting the academic freedom of faculty members to select high quality course materials for students; and

"(2) to encourage—

"(A) college textbook publishers and distributors to work with faculty to promote understanding of the cost to students of purchasing faculty selected textbooks, including the disclosure of prices and bundling practices;

"(B) college bookstores to work with faculty to review timelines and processes for ordering and stocking course materials, and to disclose costs to faculty and students in a timely manner;

"(C) institutions of higher education to implement numerous options to address college textbook affordability;

"(D) institutions of higher education to work with student organizations to help students understand the factors driving textbook costs and available methods and resources to mitigate the effects of those costs; and

"(E) innovation in the development and use of course materials (including course materials utilizing the principles of universal design) and technologies that can help students receive the full value of their educational investment.

"(b) DEFINITIONS.—In this section:

"(1) BUNDLE.—The term 'bundle' means one or more college textbooks or other supplemental learning 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 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 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.

"(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, additional eras of time, new themes, or new subject matter.

"(9) SUPPLEMENTAL MATERIAL.—The term 'supplemental material' means educational material developed to accompany a college textbook, which—

"(A) may include printed materials, computer disks, website access, and electronically distributed materials; and

"(B) is not bound by third-party contractual agreements to be sold in 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 with information regarding a college textbook or supplemental material, the publisher shall include, with any such information and in writing, 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.

"(B) The copyright dates of all previous editions of such college textbook, if any.

"(C) The substantial content revisions made between the current edition of the college textbook or supplemental material and the previous edition, if any.

"(D) Whether the college textbook or supplemental material is available in any other format, including paperback and unbound, and 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.

"(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, publishers 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.—

"(1) INTERNET COURSE SCHEDULES.—Each institution of higher education, to the maximum extent practicable, shall—

"(A) disclose the International Standard Book Number and retail price information of required and recommended textbooks, related materials, and supplies for each course listed in the institution's course schedule used for pre-registration and registration purposes;

"(B) if the International Standard Book Number is not available for the items listed in subparagraph (A), use the author, title, publisher, and copyright date; and

"(C) if the institution determines that the disclosure of the information described in the preceding subparagraphs for a course is not practicable for a textbook, related material, or supply, then it should so indicate by placing the designation 'To Be Determined' in lieu of the information required under such subparagraphs.

"(2) WRITTEN COURSE SCHEDULES.—In the case of an institution of higher education that does not publish the institution's course schedule for the subsequent academic period on the Internet, the institution of higher education shall include the information required under paragraph (1) in any printed version of the institution's course schedule as it is available at the time of the course schedule's printing.

"(e) AVAILABILITY OF INFORMATION FOR COLLEGE BOOKSTORES.—An institution of higher education shall make available, as soon as is practicable, upon the request of any 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) 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 and classroom materials.

"(g) EFFECTIVE DATE.—This section shall be effective on and after July 1, 2008.".

SEC. 111. DATABASE OF STUDENT INFORMATION PROHIBITED.

Part C of title I (20 U.S.C. 1015) is further amended by adding after section 134 (as added by section 110 of this Act) the following new section:

"SEC. 135. DATABASE OF STUDENT INFORMATION PROHIBITED.

"(a) PROHIBITION.—Except as described in subsection (b), nothing in this Act shall be construed to authorize the Secretary to develop, implement, or maintain 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 is necessary for the operation of programs authorized by title II, IV, or VII, or data required to be collected by the Secretary under this Act (including section 133(g)), that were in use by the Secretary, directly or through a contractor, as of the day before the date of enactment of the College Opportunity and Affordability Act of 2007.

"(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. 112. INSTITUTION AND LENDER REPORTING AND DISCLOSURE REQUIREMENTS.

Title I (20 U.S.C. 1001 et seq.) is amended by adding at the end the following:

"PART E—LENDER AND INSTITUTION REQUIREMENTS RELATING TO EDUCATIONAL LOANS

"SEC. 151. DEFINITIONS.

"In this part:

"(1) COVERED INSTITUTION.—The term 'covered institution'—

"(A) means any educational institution that—

"(i) offers a postsecondary educational degree, certificate, or program of study (including any institution of higher education, as such term is defined in section 102); and

"(ii) receives any Federal funding or assistance; and

"(B) includes an authorized agent of the educational institution (including an alumni association, booster club, or other organization directly or indirectly authorized by such institution) or an employee of such institution.

"(2) EDUCATIONAL LOAN.—The term 'educational loan' (except when used as part of the term 'private educational loan') means—

"(A) any loan made, insured, or guaranteed under title IV; or

"(B) a private educational loan (as defined in paragraph (6)).

"(3) PREFERRED LENDER ARRANGEMENT.—The term 'preferred lender arrangement'—

"(A) means an arrangement or agreement between a lender and a covered institution—

"(i) under which arrangement or agreement a lender provides or otherwise issues educational loans to the students attending the covered institution or the parents of such students; and

"(ii) which arrangement or agreement relates to the covered institution recommending, promoting, or endorsing the educational loan product of the lender; and

"(B) does not include—

"(i) arrangements or agreements with respect to loans under parts D or E of title IV; or

"(ii) arrangements or agreements with respect to loans under section 499(b).

"(4) LENDER.—

"(A) IN GENERAL.—The term 'lender'—

"(i) means a creditor, except that such term shall not include an issuer of credit secured by a dwelling or under an open end credit plan; and

"(ii) includes an agent of a lender.

"(B) INCORPORATION OF TILA DEFINITIONS.—The terms 'creditor', 'dwelling', and 'open end credit plan' have the meanings given such terms in section 103 of the Truth in Lending Act (15 U.S.C. 1602).

"(5) OFFICER.—The term 'officer' includes a director or trustee of a covered institution, if such individual is treated as an employee of the covered institution.

"(6) PRIVATE EDUCATIONAL LOAN.—The term 'private educational loan' means a private loan provided by a lender that—

"(A) is not made, insured, or guaranteed under title IV; and

"(B) is issued by a lender expressly for postsecondary educational expenses to a student, or the parent of the student, regardless of whether the loan involves enrollment certification by the educational institution that the student attends.

"(7) POSTSECONDARY EDUCATIONAL EXPENSES.—The term 'postsecondary educational expenses' means any of the expenses that are included as part of a student's cost of attendance, as defined under section 472.

"SEC. 152. REQUIREMENTS FOR LENDERS AND INSTITUTIONS PARTICIPATING IN PREFERRED LENDER ARRANGEMENTS.

"(a) CERTIFICATION BY LENDERS.—In addition to any other disclosure required under Federal law, each lender under part B of title IV that participates in one or more preferred lender arrangements shall annually certify its compliance with the requirements of this Act. Such compliance of such preferred lender arrangement shall be reported on and attested to annually by the auditor of such lender in the audit conducted pursuant to section 428(b)(1)(U)(iii).

"(b) USE OF INSTITUTION NAME.—

"(1) IN GENERAL.—A covered institution that has entered into a preferred lender arrangement with a lender regarding private educational loans shall not agree to the lender's use of the name, emblem, mascot, or logo of the institution, or other words, pictures, or symbols readily identified with the institution, in the marketing of private educational loans to the students attending the institu-

tion in any way that implies that the institution endorses the private educational loans offered by the lender.

"(2) APPLICABILITY.—Paragraph (1) shall apply to any preferred lender arrangement, or extension of such arrangement, entered into or renewed after the date of enactment of the College Opportunity and Affordability Act of 2007.

"SEC. 153. INTEREST RATE REPORT FOR INSTITUTIONS AND LENDERS PARTICIPATING IN PREFERRED LENDER ARRANGEMENTS.

"(a) DUTIES OF THE SECRETARY.—

"(1) REPORT AND MODEL FORMAT.—Not later than 180 days after the date of enactment of the College Opportunity and Affordability Act of 2007, the Secretary shall—

"(A) prepare a report on the adequacy of the information provided to students and the parents of such students about educational loans, after consulting with students, representatives of covered institutions (including financial aid administrators, registrars, and business officers), lenders, loan servicers, and guaranty agencies;

"(B) develop and prescribe by regulation a model disclosure form to be used by lenders and covered institutions in carrying out subsections (b) and (c) that—

"(i) will be easy for students and parents to read and understand;

"(ii) will be easily usable by lenders, institutions, guaranty agencies, and loan servicers;

"(iii) will provide students and parents with the relevant, meaningful, and standard information about the terms and conditions for both Federal and private educational loans;

"(iv) is based on the report's findings and developed in consultation with—

"(I) students;

"(II) representatives of covered institutions, including financial aid administrators, registrars, business officers, and student affairs officials;

"(III) lenders;

"(IV) loan servicers;

"(V) guaranty agencies; and

"(VI) with respect to the requirements of clause (vi) concerning private educational loans, the Board of Governors of the Federal Reserve System;

"(v) provides information on the applicable interest rates and other terms and conditions of the educational loans provided by a lender to students attending the institution, or the parents of such students, disaggregated by each type of educational loan (including opportunity pools as defined in section 155(f)) provided to such students or parents by the lender, including—

"(I) the rate of interest, or the potential range of rates of interest, applicable to the loan, and whether such rates are fixed or variable;

"(II) limitations, if any, on interest rate adjustments, both in terms of frequency and amount, or lack thereof;

"(III) co-borrower requirements, including changes in interest rates;

"(IV) any fees associated with the loan;

"(V) the repayment terms available on the loan;

"(VI) the opportunity for deferment or forbearance in repayment of the loan, including whether the loan payments can be deferred if the student is in school;

"(VII) any additional terms and conditions applied to the loan, including any benefits that are contingent on the repayment behavior of the borrower;

"(VIII) the annual percentage rate for such loans, determined in the manner required under section 107 of the Truth in Lending Act (15 U.S.C. 1606);

"(IX) an example of the total cost of the educational loan over the life of the loan which shall be calculated—

"(aa) using a principal amount and the maximum rate of interest actually offered by the lender; and

"(bb) both with and without capitalization of interest, if that is an option for postponing interest payments;

"(X) the consequences for the borrower of defaulting on a loan, including any limitations on the discharge of an educational loan in bankruptcy;

"(XI) contact information for the lender; and

"(XII) any philanthropic contributions made by the lender to the covered institution, including the purpose of the contribution and any conditions related to its use; and

"(vi) provides, in addition, with respect to private educational loans, the following information with respect to loans made by each lender recommended by the covered institution:

"(I) the method of determining the interest rate of the loan;

"(II) potential finance charges, late fees, penalties, and adjustments to principal, based on defaults or late payments of the borrower; and

"(III) such other information as the Secretary may require; and

"(C)(i) submit the report and model disclosure form to the authorizing committees; and

"(ii) make the report and model disclosure form available to covered institutions, lenders, and the public.

"(2) MODEL FORM UPDATE.—Not later than 1 year after the submission of the report and model disclosure form described in paragraph (1)(B), the Secretary shall—

"(A) assess the adequacy of the model disclosure form;

"(B) after consulting with students, representatives of covered institutions (including financial aid administrators, registrars, business officers, and student affairs officials), lenders, loan servicers, guaranty agencies, and the Board of Governors of the Federal Reserve System—

"(i) prepare a list of any improvements to the model disclosure form that have been identified as beneficial to borrowers; and

"(ii) update the model disclosure form after taking such improvements into consideration; and

"(C)(i) submit the list of improvements and updated model disclosure form to the authorizing committees; and

"(ii) make the updated model disclosure form available to covered institutions, lenders, and the public.

"(3) USE OF FORM.—The Secretary shall take such steps as necessary to make the model disclosure form, and the updated model disclosure form, available to covered institutions and to encourage—

"(A) lenders subject to subsection (b) to use the model disclosure form or updated model disclosure form (if available) in providing the information required under subsection (b); and

"(B) covered institutions to use such format in preparing the information reported under subsection (c).

"(4) PROCEDURES.—Sections 482(c) and 492 of this Act shall not apply to the model disclosure form prescribed under paragraph (1)(B), but shall apply to the updating of such form under paragraph (2).

"(b) LENDER DUTIES.—Each lender that has a preferred lender arrangement with a covered institution shall, by August 1 of each year, provide to the covered institution and to the Secretary the information included on the model disclosure form or an updated model disclosure form (if available) for each type of educational loan (including opportunity pools as defined in section 155(f)) to be offered by the lender to students attending the covered institution, or the parents of such students, for the forthcoming academic year.

"(c) COVERED INSTITUTION REPORTS.—Each covered institution shall—

"(1) prepare and submit to the Secretary an annual report, by a date determined by the Secretary, that includes, for each lender that has a preferred lender arrangement with the covered institution and that has submitted to the institution the information required under subsection (b)—

"(A) the information included on the model disclosure form or updated model disclosure form (if available) for each type of educational loan provided by the lender to students attending the covered institution, or the parents of such students; and

"(B) a detailed explanation of why the covered institution believes the terms and conditions of each type of educational loan provided pursuant to the agreement are beneficial for students attending the covered institution, or the parents of such students; and

"(2) ensure that the report required under paragraph (1) is made available to the public and provided to students attending or planning to attend the covered institution, and the parents of such students, in time for the student or

parent to take such information into account before applying for or selecting an educational loan.

"(d) DISCLOSURES BY COVERED INSTITUTIONS.—A covered institution shall disclose, on its website and in the informational materials described in subsection (e)—

"(1) a statement that—

"(A) indicates that students are not limited to or required to use the lenders the institution recommends; and

"(B) the institution is required to process the documents required to obtain a Federal educational loan from any eligible lender the student selects;

"(2) at a minimum, all of the information provided by the model disclosure form prescribed under subsection (a)(1)(B), or updated model disclosure form (if available), with respect to any lender recommended by the institution for Federal educational loans and, as applicable, private educational loans (including opportunity pools as defined in section 155(f));

"(3) the maximum amount of Federal grant and loan aid available to students in an easy-to-understand format; and

"(4) the institution's cost of attendance (as determined under section 472).

"(e) INFORMATIONAL MATERIALS.—The informational materials described in this subsection are publications, mailings, or electronic messages or media distributed to prospective or current students and parents of students that describe or discuss the financial aid opportunities available to students at an institution of higher education.

"SEC. 154. PRIVATE EDUCATIONAL LOAN DISCLOSURE REQUIREMENTS FOR COVERED INSTITUTIONS.

"A covered institution that provides information to any student, or the parent of such student, regarding a private educational loan from a lender shall, prior to or concurrent with such information—

"(1) inform the student or parent of—

"(A) the student or parent's eligibility for assistance and loans under title IV; and

"(B) the terms and conditions of such private educational loan that may be less favorable than the terms and conditions of educational loans for which the student or parent is eligible, including interest rates, repayment options, and loan forgiveness; and

"(2) ensure that information regarding such private educational loan is presented in such a manner as to be distinct from information regarding loans that are made, insured, or guaranteed under title IV.

"SEC. 155. INTEGRITY PROVISIONS.

"(a) INSTITUTION CODE OF CONDUCT REQUIRED.—

"(1) CODE OF CONDUCT.—Each institution of higher education that participates in the Federal student loan programs under title IV or has students that obtain private educational loans shall—

"(A) develop a code of conduct in accordance with paragraph (2) with which its officers, employees, and agents shall comply with respect to educational loans;

"(B) publish the code of conduct prominently on its website; and

"(C) administer and enforce such code in accordance with the requirements of this subsection.

"(2) CONTENTS OF CODE.—The code required by this section shall—

"(A) prohibit a conflict of interest with the responsibilities of such officer, employee, or agent with respect to educational loans; and

"(B) at a minimum, include provisions in compliance with the provisions of the following subsections of this section.

"(3) TRAINING AND COMPLIANCE.—An institution of higher education shall administer and enforce a code of conduct required by this section by, at a minimum, requiring all of its officers, employees, and agents with responsibilities with respect to educational loans to obtain training annually in compliance with the code.

"(b) GIFT BAN.—

"(1) PROHIBITION.—No officer, employee, or agent of a covered institution who is employed in the financial aid office of the institution, or who otherwise has responsibilities with respect to educational loans, shall solicit or accept any gift from a lender, guarantor, or servicer of educational loans.

"(2) INSPECTOR GENERAL REPORT.—The Inspector General of the Department of Education shall investigate any reported violation of this subsection and shall annually submit a report to the authorizing committees identifying all substantiated violations of the gift ban under paragraph (1), including the lenders and covered institutions involved in each such violation, for the preceding year.

"(3) DEFINITION OF GIFT.—

"(A) IN GENERAL.—In this subsection, 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.

"(B) EXCEPTIONS.—The term 'gift' shall not include any of the following:

"(i) Standard informational material related to a loan or financial literacy, such as a brochure.

"(ii) Food, refreshments, training, or informational material furnished to an officer, employee, or agent of an institution as an integral part of a training session that is designed to improve the service of a lender, guarantor, or servicer of educational loans to the covered institution, if such training contributes to the professional development of the officer, employee, or agent of the institution.

"(iii) Favorable terms, conditions, and borrower benefits on an educational loan provided to a student employed by the covered institution if such terms, conditions, or benefits are comparable to those provided to all students of the institution.

"(iv) Exit counseling services provided to borrowers to meet a covered institution's responsibilities for exit counseling as required by section 485(b) provided that—

"(I) a covered institution's staff are in control of the counseling (whether in person or via electronic capabilities); and

"(II) such counseling does not promote the products or services of any lender.

"(v) Philanthropic contributions to a covered institution from a lender, guarantor, or servicer of educational loans that are unrelated to educational loans, provided, as applicable, that such contributions are disclosed pursuant to section 153(a)(1) and section 153(a)(2).

"(C) RULE FOR GIFTS TO FAMILY MEMBERS.—For purposes of this section, a gift to a family member of an officer, employee, or agent of a covered institution, or a gift 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.

"(c) CONTRACTING ARRANGEMENTS PROHIBITED.—

"(1) PROHIBITION.—An officer, employee, or agent who is employed in the financial aid office of a covered institution, or who otherwise has responsibilities with respect to educational loans, shall not accept from any lender or affiliate of any lender (as the term affiliate is defined in section 487(a)) 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.

"(2) EXCEPTIONS.—Nothing in this subsection shall be construed as prohibiting—

"(A) an officer, employee, or agent of a covered institution who is not employed in the institution's financial aid office, or who does not otherwise have responsibilities with respect to educational loans, from paid or unpaid service on a board of directors of a lender, guarantor, or servicer of educational loans;

"(B) an officer, employee, or agent of a covered institution who is not employed in the financial aid office but who has responsibility with respect to educational loans as a result of a position held at the covered institution, from paid or unpaid service on a board of directors of a lender, guarantor, or servicer of educational loans, provided that the covered institution has a written conflict of interest policy that clearly sets forth that such an officer, employee, or agent must be recused from participating in any decision of the board with respect to any transaction regarding educational loans; or

"(C) an officer, employee, or agent of a lender, guarantor, or servicer of educational loans from serving on a board of directors or serving as a trustee of a covered institution, provided that the covered institution has a written conflict of interest policy that clearly sets forth the procedures to be followed in instances where such a board member's or trustee's personal or

business interests with respect to educational loans may be advanced by an action of the board of directors or trustees, including a provision that such a board member or trustee may not participate in any decision to approve any transaction where such conflicting interests may be advanced.

"(d) BAN ON REVENUE SHARING ARRANGEMENTS.—

"(1) PROHIBITION.—A covered institution shall not enter into any revenue sharing arrangement with any lender.

"(2) DEFINITION.—For purposes of this subsection, a revenue sharing arrangement is an arrangement between a covered institution and a lender under which—

"(A) a lender provides or issues educational loans to students attending the institution or to parents of such students; and

"(B)(i) the institution recommends the lender or the loan products of the lender; and

"(ii) in exchange, the lender pays a fee or provides other material benefits, including revenue or profit sharing, to the institution or officers, employees, or agents of the institution.

"(e) BAN ON STAFFING ASSISTANCE.—

"(1) PROHIBITION.—A covered institution shall not request or accept from any lender any assistance with call center staffing or financial aid office staffing.

"(2) CERTAIN ASSISTANCE PERMITTED.—Nothing in paragraph (1) shall be construed to prohibit a covered institution from requesting or accepting assistance from a lender related to—

"(A) professional development training for financial aid administrators;

"(B) 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

"(C) staffing services on a short-term, non-recurring 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.

"(f) PROHIBITION ON OFFERS OF FUNDS FOR PRIVATE LOANS.—

"(1) PROHIBITION.—A covered institution shall not request or accept from any lender any offer of funds, including any opportunity pool, to be used for private educational loans to students in exchange for the covered institution providing concessions or promises to the lender with respect to such institution providing the lender with a specified number of loans, a specified loan volume, or a preferred lender arrangement for any loan made, insured, or guaranteed under title IV, and a lender shall not make any such offer.

"(2) DEFINITION.—In this subsection, the term 'opportunity pool' means an educational loan made by a private lender to a student attending the covered institution or the parent of such a student that is in any manner guaranteed by a covered institution, or that involves a payment, directly or indirectly, by such an institution of points, premiums, payments, additional interest, or other financial support to such lender for the purpose of such lender extending credit to either the students or the parents of students of the institution.

"(g) BAN ON PARTICIPATION ON ADVISORY COUNCILS.—An officer, employee, or agent who is employed in the financial aid office of a covered institution, or who otherwise has responsibilities with respect to educational loans, shall not serve on or otherwise participate with advisory councils of lenders or affiliates of lenders. Nothing in this subsection shall prohibit lenders from seeking advice from covered institutions or groups of covered institutions (including through telephonic or electronic means, or a meeting) in order to improve products and services for borrowers, provided there are no gifts or compensation (including for transportation, lodging, or related expenses) provided by lenders in connection with seeking this advice from such institutions. Nothing in this subsection shall prohibit an officer, employee, or agent of a covered institution from serving on the board of directors of a lender if required by State law.

"SEC. 156. COMPLIANCE AND ENFORCEMENT.

"(a) CONDITION OF ANY FEDERAL ASSISTANCE.—Notwithstanding any other provision of law, a covered institution or lender shall comply with this part as a condition of receiving Federal funds or assistance provided after the date of enactment of the College Opportunity and Affordability Act of 2007.

"(b) PENALTIES.—Notwithstanding any other provision of law, if the Secretary determines, after providing notice and an opportunity for a hearing for a covered institution or lender, that the covered institution or lender has violated subsection (a)—

"(1) in the case of a covered institution, or a lender that does not participate in a loan program under title IV, the Secretary may impose a civil penalty in an amount of not more than $25,000; and

"(2) in the case of a lender that does participate in a program under title IV, the Secretary may limit, terminate, or suspend the lender's participation in such program.

"(c) CONSIDERATIONS.—In taking any action against a covered institution or lender under subsection (b), the Secretary shall take into consideration the nature and severity of the violation of subsection (a).

"SEC. 157. STUDENT LOAN COUNSELING.

"(a) BORROWER CONTACT.—

"(1) FFEL LOANS.—Each holder of a loan under part B of title IV shall contact the borrower each year after five years has passed from the date that a borrower first selected either a graduated, extended, income sensitive, or income contingent repayment plan to ascertain if the borrower is able to select a repayment plan with a shorter repayment period that would reduce the total interest paid on the borrower's loan or loans under this part.

"(2) DIRECT LOANS.—The Secretary shall contact the borrower of each loan under part D or E of title IV each year after five years has passed from the date that a borrower first selected either an extended, graduated, income contingent, or alternative repayment plan to ascertain if the borrower is able to select a repayment plan for a shorter repayment period that would reduce the total interest paid on the borrower's loan under this part.

"(b) REQUIRED DISCLOSURE BEFORE DISBURSEMENT.—

"(1) DISCLOSURES BEFORE REPAYMENT.—Each lender of a loan under part B of title IV, and the Secretary with respect to each loan under part D or E of such title, shall provide to the borrower before repayment begins an explanation of principal to be borrowed, current balance, interest already paid, and interest due over the life of the loan, options by which borrowers may avoid or be removed from default, relevant fees associated with these options, and repayment options available to the borrower entering repayment, including income contingent repayment and income-based repayment.

"(2) DISCLOSURES DURING REPAYMENT.—Each lender of a loan under part B of title IV, and the Secretary with respect to each loan under part D or E of such title, shall provide to the borrower during repayment an explanation of principal borrowed, current balance, interest already paid and interest due over the life of the loan, options by which borrowers may avoid or be removed from default, relevant fees associated with these options, and repayment options available to the borrower entering repayment, including income contingent repayment and income-based repayment. Each such lender and the Secretary shall also notify any borrower who tells the lender or the Secretary that the borrower is having difficulty making payments of the repayment options available, including forbearance. Each such lender and the Secretary shall make an explanation of repayment options available to the borrower, including income contingent repayment and forbearance, before the loan is disbursed, before repayment, and during repayment if the borrower notifies the lender or the Secretary that the borrower is having difficulty making payments.

"(c) INSTITUTIONAL COUNSELING.—

"(1) IN GENERAL.—Each institution of higher education shall, through financial aid officers or otherwise, make available counseling to borrowers of loans which are made, insured, or guaranteed under part B (other than loans made pursuant to section 428B) of this title or made under part D or E of this title prior to their signing the first promissory note. The counseling shall include—

"(A) average indebtedness of borrowers at that school, to be supplied by the Secretary;

"(B) sample monthly repayment amounts based on a range of student levels of indebtedness and on the average indebtedness of Stafford loan borrowers at the same school or in the same program of study at the same school;

"(C) data to be supplied by the Secretary on starting salaries for graduates of institutions by type and control of institution, and field of study;

"(D) repayment options available to the borrower when entering repayment, including income contingent repayment and income-based repayment;

"(E) detail to be supplied by the Secretary on how interest accrues and is capitalized during periods when it is not being paid by either the borrower or the Secretary; and

"(F) the likely consequences of default, including adverse credit reports, Federal offset, and litigation.

"(2) USE OF ELECTRONIC MEANS.—If initial counseling is conducted through interactive electronic means, the institution of higher education shall take reasonable steps to ensure that each student borrower receives the counseling materials, and participates in and completes the initial counseling.

"(d) DEPARTMENT OF EDUCATION INFORMATION DISCLOSURE AND TECHNICAL ASSISTANCE.—

"(1) OBLIGATION.—The Secretary shall display on the Department of Education website and provide to colleges and universities the following information to be used for counseling and consumer information for prospective borrowers:

"(A) Regional data on starting salaries in all major fields.

"(B) The increase in debt that results from forbearance on all loans and from capitalization of interest on unsubsidized loans.

"(C) The various repayment options available in the Federal student loan programs, including the availability of the income contingent repayment (ICR) program and the income-based repayment programs (IBR).

"(D) The Federal Government's powers to collect student loans, even when student borrowers are in bankruptcy.

"(2) PUBLICITY.—The Secretary shall make the location of the information under paragraph (1) widely known among the public, institutions, and lenders, and promote the use of such information by prospective students, enrolled students, and borrowers after entering repayment.".

SEC. 113. FEASIBILITY STUDY FOR NATIONAL ELECTRONIC STUDENT LOAN MARKETPLACE.

(a) STUDY REQUIRED.—The Secretary of Education shall conduct a study of the feasibility of developing a National Electronic Student Loan Marketplace that would provide for one or more of the following:

(1) A registry of real-time information on Federal student loans (including loans under parts B and D of title IV of the Higher Education Act of 1965) and private educational loans (as defined in section 151 such Act of 1965 (as amended by this Act)) for both undergraduate and graduate students, and parents of students, for use by prospective borrowers or any person desiring information regarding available interest rates, fees, and other terms from lenders.

(2) Means by which lenders that participate in such marketplace would be bound to honor advertised rates or benefits.

(3) A mechanism whereby borrowers and student financial aid officials could publicly post or otherwise make available for users accessing the system their comments, opinions, or ratings concerning their experience as to the quality of lenders' loan products and loan servicing and other measurements or indicators of customer satisfaction.

(4) A mechanism whereby prospective borrowers could be matched with lenders that offer highly competitive products and loan servicing quality, including any procedures and safeguards necessary to minimize potentially adverse effects of multiple inquiries into participating borrowers' credit histories recorded by credit reporting agencies.

(5) Options concerning the establishment and ongoing maintenance of such a system, including whether such a system should be operated by one or more nonprofit or for-profit entities, how these entities should structure or organize such a system in order to provide the highest assurance of independence from, and the absence of any conflicting interest with, lenders participating in such a system, and methods to finance such a system at no or minimal cost to consumers and the Government.

(6) Other features that the Secretary determines could help prospective borrowers make informed decisions in selecting lenders from whom to obtain Federal and private educational loans.

(b) CONSULTATION.—In conducting the study required by this section, the Secretary of Education shall consult with—

(1) the Federal Trade Commission;

(2) representatives of student loan borrowers;

(3) representatives from institutions of higher education, including financial aid administrators, registrars, business officers, and student affairs officials;

(4) Federal and private education loan lenders, loan servicers, and guaranty agencies; and

(5) any other appropriate agency that is a member of the Financial Literacy and Education Commission established under the Financial Literacy and Education Improvement Act (20 U.S.C. 9701 et seq.).

(c) REPORT.—Not later than 6 months after completion of the model interest rate report format required under section 153(a)(1) of the Higher Education Act of 1965 (as amended by this Act), the Secretary of Education shall submit a report to the authorizing committees (as defined in section 103 of such Act) concerning the find-

ings of the feasibility study together with an assessment of the advantages and disadvantages for consumers, institutions of higher education, lenders, and the Government of establishing such a system.

TITLE II—TITLE II REVISION

SEC. 201. REVISION OF TITLE II.

Title II (20 U.S.C. 1021 et seq.) is amended to read as follows:

"TITLE II—TEACHER QUALITY ENHANCEMENT

"SEC. 200. DEFINITIONS.

"For purposes of 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 1 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 as 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' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

"(4) 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.);

"(B) a State licensed or regulated child care program or school; or

"(C) a State prekindergarten program that serves children from birth through kindergarten and that addresses the children's cognitive (including language, early literacy, and pre-numeracy), social, emotional, and physical development.

"(5) 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.

"(6) EDUCATIONAL SERVICE AGENCY.—The term 'educational service agency' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

"(7) ESSENTIAL COMPONENTS OF READING INSTRUCTION.—The term 'essential components of reading instruction' has the meaning given such term in section 1208 of the Elementary and Secondary Education Act of 1965.

"(8) EXEMPLARY TEACHER.—The term 'exemplary teacher' has the meaning given such term in section 9101 of the Elementary and Secondary Education Act of 1965.

"(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; or

"(iii) with a total of less than 600 students in average daily attendance at the schools that are served by the agency, and all of the schools that are served by the agency are designated with a school locale code of Rural: Fringe, Rural: Distant, or Rural: Remote, as determined by the Secretary; 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.—Notwithstanding section 103, the term 'high-need school' means a public elementary school or public secondary school that—

"(A) is among the highest 25 percent of schools served by the local educational agency that serves the school, in terms of the percentage of students from families with incomes below the poverty line; or

"(B) is designated with a school locale code of Rural: Fringe, Rural: Distant, or Rural: Remote, as determined by the Secretary.

"(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.

"(13) HIGHLY QUALIFIED.—The term 'highly qualified' has the meaning given such term in section 9101 of the Elementary and Secondary Education Act of 1965 and, with respect to special education teachers, in section 602 of the Individuals with Disabilities Education Act.

"(14) LITERACY COACH.—The term 'literacy coach' means an individual—

"(A) who—

"(i) has teaching experience and a master's degree with a concentration in reading and writing education; and

"(ii) has demonstrated proficiency (as determined by the principal of the individual's school) in teaching reading and writing in a content area such as math, science, or social studies;

"(B) whose primary role with teachers and school personnel is—

"(i) to provide high-quality professional development opportunities for teachers and school personnel related to literacy;

"(ii) with respect to the areas of reading and writing, to collaborate with paraprofessionals, teachers, principals, and other administrators, and the community served by the school; and

"(iii) to work cooperatively and collaboratively with other professionals in planning programs to meet the needs of diverse population learners, including children with disabilities and limited English proficient individuals; and

"(C) who may provide students with—

"(i) reading or writing diagnosis and instruction; and

"(ii) reading and writing assessment, including assessment in cooperation with other professionals (such as special education teachers, speech and language teachers, and school psychologists).

"(15) 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.

"(16) PROFESSIONAL DEVELOPMENT.—The term 'professional development' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

"(17) 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 accepted principles of scientific research.

"(18) 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) 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;

"(D) 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 measure higher-order thinking skills, including application, analysis, synthesis, and evaluation;

"(E) effectively manage a classroom, including the ability to implement positive behavioral intervention support strategies;

"(F) communicate and work with parents and guardians, and involve parents and guardians in their children's education; and

"(G) use, in the case of an early childhood educator, age-appropriate and developmentally appropriate strategies and practices for children in early education programs.

"SEC. 200A. RULE OF CONSTRUCTION.

"Nothing in this title shall be construed to alter or otherwise affect the rights, remedies, and procedures afforded to the employees of local educational agencies 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, including the right of employees of local educational agencies to engage in collective bargaining with their employers.

"PART A—TEACHER QUALITY PARTNERSHIP GRANTS

"SEC. 201. PURPOSES; DEFINITIONS.

"(a) PURPOSES.—The purposes of this part are to—

"(1) improve student achievement;

"(2) improve the quality of the current and future teaching force by improving the preparation of prospective teachers and enhancing professional development activities;

"(3) hold teacher preparation programs at institutions of higher education accountable for preparing highly qualified teachers; and

"(4) recruit highly qualified individuals, including minorities and individuals from other occupations, into the teaching force.

"(b) DEFINITIONS.—In this part:

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

"(A) shall include—

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

"(ii) a high-need school or a consortium of high-need schools served by the high-need local educational agency or, 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 or a teacher professional development program within such partner institution; 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 5210 of the Elementary and Secondary Education 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.

"(2) INDUCTION PROGRAM.—The term 'induction program' means a formalized program for new teachers during not less than the teachers' first 2 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 mentor teachers in the same department or field, as well as time for information-sharing among teachers, principals, administrators, 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 upon 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 of 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 data's applicability in classroom instruction.

"(I) Structured and formal observation of new teachers, and feedback for such teachers, at least 4 times each school year by multiple evaluators, including master teachers and the principal, using valid and reliable benchmarks of teaching skills and standards developed with input from teachers.

"(3) 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 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); 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; or

"(B) that requires—

"(i) each student in the program to meet and demonstrate high academic standards (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 to become highly qualified; 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.

"(4) TEACHER MENTORING.—The term 'teacher mentoring' means the mentoring of new or prospective teachers through a new or established 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;

"(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;

"(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.

"(5) TEACHING RESIDENCY PROGRAM.—The term 'teaching residency program' means a school-based teacher preparation program in which a prospective teacher—

"(A) for 1 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 may include courses 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, earns a master's degree, attains full State teacher certification or licensure, and becomes highly qualified.

"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 all the partners in the eligible partnership with respect to the preparation, ongoing training, professional development, and retention, of general and special education teachers, principals, and, as applicable, early childhood educators;

"(2) a description of the extent to which the program prepares prospective and new teachers with strong teaching skills;

"(3) a description of how the program will prepare prospective and new teachers to use research and data to modify and improve instruction in the classroom;

"(4) a description of how the partnership will coordinate strategies and activities assisted under the grant with other teacher preparation or professional development programs, including those funded under the Elementary and Secondary Education Act of 1965 and the Individuals with Disabilities Education Act, and through the National Science Foundation, and how the activities of the partnership will be consistent with State, local, and other education reform activities that promote student achievement;

"(5) a resource assessment that describes the resources available to the partnership, including—

"(A) the integration of funds from other sources;

"(B) the intended use of the grant funds;

"(C) the commitment of the resources of the partnership, including financial support, faculty participation, and time commitments, to the activities assisted under this section and to the continuation of the activities when the grant ends;

"(6) a description of—

"(A) how the 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 achievement;

"(C) the partnership's evaluation plan under section 204(a);

"(D) how the partnership will align the teacher preparation program 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) student academic achievement standards and academic content standards under section 1111(b)(2) of the Elementary and Secondary Education Act of 1965, established by the State in which the partnership is located;

"(E) 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;

"(F) how the partnership will prepare general education and special education teachers to teach students with limited English proficiency;

"(G) how faculty at the partner institution will work, during the term of the grant, with highly qualified teachers in the classrooms of schools served by the high-need local educational agency in the partnership to provide high-quality professional development activities;

"(H) how the partnership will design, implement, or enhance a year-long, rigorous, and enriching teaching pre-service clinical program component;

"(I) how the partnership will support in-service professional development strategies and activities; and

"(J) how the partnership will collect, analyze, and use data on the retention of all teachers and early childhood educators in schools and early childhood 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—

"(A) a description of how the teacher preparation program will design and implement an induction program to support all new teachers through not less than the first 2 years of teaching 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;

"(B) a demonstration that the schools and departments within the institution of higher education that are part of the induction program have relevant and essential roles in the effective preparation of teachers, including content expertise and expertise in teaching;

"(C) a demonstration of the partnership's capability and commitment to the use of empirically based practice and scientifically valid research related to teaching and learning, and the accessibility to and involvement of faculty;

"(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 or secondary school classroom setting, as applicable, including release time and receiving workload credit for such participation.

"(c) REQUIRED USE OF GRANT FUNDS.—An eligible partnership that receives a grant under this section shall use grant funds to carry out a program for the pre-baccalaureate preparation of teachers under subsection (d), a teaching residency program under subsection (e), a leadership development program under subsection (f), or a combination of two or more such programs.

"(d) PARTNERSHIP GRANTS FOR PRE-BACCALAUREATE PREPARATION OF TEACHERS.—An eligible partnership that receives a grant to carry out an effective program for the pre-baccalaureate preparation of teachers shall carry out a 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) current or prospective teachers to be highly qualified (including teachers in rural school districts who may teach multiple subjects, special educators, teachers of students who are limited English proficient who may teach multiple subjects, and teachers who are qualified to teach Advanced Placement or International Baccalaureate courses);

"(II) such teachers and, as applicable, early childhood educators, to understand empirically based practice and scientifically valid research related to teaching and learning and its applicability, and to use technology effectively, including the use of instructional techniques and positive behavioral 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 research, where applicable, about the disciplines of teaching and learning so that all prospective teachers and, as applicable, early childhood educators—

"(I) can understand and implement research-based teaching practices in classroom-based 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 instruction in the classroom;

"(IV) possess teaching skills and an understanding of effective instructional strategies across all applicable content areas that enable general 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, 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 in the individualized education program process, 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 using the essential components of reading 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 new teachers receive training in both teaching and relevant content areas in order to become highly qualified, which may include training in multiple subjects to teach multiple grade levels as may be needed for individuals preparing to teach in rural communities;

"(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 curriculum changes to prepare teachers to teach Advanced Placement or International Baccalaureate courses.

"(2) CLINICAL EXPERIENCE AND INTERACTION.—Developing and improving a sustained and high-quality pre-service 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 activity or a combination of activities, 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 faculty and new and experienced teachers, principals, and other administrators 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, which may include preparation for meeting the unique needs of teaching in rural communities.

"(C) Provide high-quality teacher mentoring.

"(D)(i) Be offered over the course of a program of teacher preparation;

"(ii) be tightly aligned with course work (and may be developed as a 5th year of a teacher preparation program); and

"(iii) where feasible, allow prospective teachers to learn to teach in the same school district in which the teachers will work, learning the instructional initiatives and curriculum of that district.

"(E) Provide support and training for those individuals participating in an activity for prospective teachers described in this paragraph or paragraph (1) or (3), and for those 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 merit or performance-based pay.

"(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 highly qualified teachers through the activities of the eligible partnership, which may include an emphasis on recruiting into the teaching profession—

"(A) underrepresented populations;

"(B) individuals to teach in rural communities and teacher shortage areas, including mathematics, science, special education, and instruction of limited English proficient students; and

"(C) mid-career professionals from other occupations, former military personnel, and recent college graduates with proven records of academic distinction.

"(6) LITERACY TRAINING.—Developing and implementing a program to strengthen content knowledge and teaching skills of elementary and secondary school literacy coaches that—

"(A) provides teacher training in reading instruction for literacy coaches who—

"(i) train classroom teachers to implement literacy programs; or

"(ii) tutor students with intense individualized reading, writing, and subject matter instruction during or beyond the school day;

"(B) develops or redesigns rigorous evidenced-based reading curricula that are aligned with challenging State academic content standards, as required under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965, and with postsecondary standards for reading and writing;

"(C) provides opportunities for teachers to plan and assess instruction with other teachers, school leaders, and faculty at institutions of higher education;

"(D) provides training and professional development for principals to prepare them to understand the teaching of reading, guide instruction, and foster school improvement; and

"(E) establishes an evaluation and accountability plan for activities conducted under this paragraph to measure the impact of such activities.

"(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) Modifying staffing procedures to provide greater flexibility for local educational agency and school leaders to establish effective school-level staffing in order to facilitate placement of 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 that participated in the teaching residency program receive—

"(i) effective pre-service preparation as described in paragraph (2);

"(ii) teacher mentoring;

"(iii) induction 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 subsection 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 to earn 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 course work;

"(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 novice 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 have full relief 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 observations of such domains of teaching as the following:

"(I) Planning and preparation, including demonstrated knowledge of content, pedagogy, and assessment, including the use of formative assessments to improve student learning.

"(II) Appropriate instruction that engages students with different learning styles, including students with disabilities.

"(III) Collaboration with colleagues to improve instruction.

"(IV) Analysis of gains in student learning, based on multiple measures, that, when feasible, may include valid and reliable 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 current or future literacy and mathematics coaches or instructors, appropriate skills in the essential components of reading instruction, teacher training in literacy instructional strategies across core sub-

ject 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 aligned with the hiring objectives of the local educational agency partnering with the program, as well as the instructional initiatives and curriculum of the agency, in exchange for a commitment by the agency to hire graduates from the teaching residency program.

"(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 2 years of teaching.

"(viii) Admission goals and priorities 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.

"(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 subsection, an individual shall—

"(I) be a recent graduate of a 4-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) STIPEND AND SERVICE REQUIREMENT.—

"(i) STIPEND.—A teaching residency program under this paragraph shall provide a 1-year living stipend or salary to teaching residents during the 1-year teaching residency program.

"(ii) SERVICE REQUIREMENT.—As a condition of receiving a stipend under this subparagraph, a teaching resident shall agree to teach in a high-need school served by the high-need local educational agency in the eligible partnership for a period of 3 or more years after completing the 1-year teaching residency program.

"(iii) REPAYMENT.—If a teaching resident who received a stipend under this subparagraph does not complete the service requirement described in clause (ii), such individual shall repay to the high-need local educational agency a pro rata portion of the stipend amount for the amount of teaching time that the individual did not complete.

"(f) PARTNERSHIP GRANTS FOR THE DEVELOPMENT OF LEADERSHIP PROGRAMS.—

"(1) IN GENERAL.—An eligible partnership receiving a grant to carry out an effective leadership program shall carry out a program that includes all of the following activities:

"(A) Preparing students currently enrolled or preparing to enroll in education administration programs in preparation for careers as superintendents, principals, or other school administrators (including students preparing to work in rural school districts who may perform multiple duties in addition to the role of administrator).

"(B) Promoting strong administrative skills and, as applicable, techniques for education administrators to improve the school environment and effectively manage schools.

"(C) Ensuring that students who participate in the leadership program receive—

"(i) effective pre-service preparation as described in subparagraph (D); and

"(ii) mentoring by educational administrators.

"(D) Developing and improving a sustained and high-quality pre-service clinical education program to further develop the leadership skills of all prospective educational administrators involved in the program. Such program shall do the following:

"(i) Incorporate year-long opportunities for enrichment activity or a combination of activities, including—

"(I) clinical learning 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 faculty and new and experienced teachers, principals, and other administrators in high-need schools served by the high-need local educational agency in the eligible partnership and identified by the eligible partnership.

"(ii) Integrate pedagogy and practice and promote effective administrative skills for meeting the unique needs of rural and geographically isolated communities.

"(iii) Educational administrator mentoring.

"(E) Creating an induction program for new administrators.

"(F) Developing and implementing effective mechanisms to ensure that the eligible partnership is able to recruit qualified individuals to become educational administrators through the activities of the eligible partnership, which may include an emphasis on recruiting into the education administration profession—

"(i) underrepresented populations;

"(ii) individuals to serve as superintendents, principals, or other school administrators in rural and geographically isolated communities and shortage areas designated by the Secretary; or

"(iii) mid-career professionals from other occupations, former military personnel, and recent college graduates with proven records of academic distinction.

"(2) SELECTION OF INDIVIDUALS FOR THE LEADERSHIP PROGRAM.—In order to be eligible for the leadership program under this subsection, an individual shall—

"(A) be enrolled in or preparing to enroll in an institution of higher education, or a recent graduate of an 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;

"(B) be current teachers who would like to become principals or principals who would like to be superintendents; and

"(C) submit an application to the leadership program.

"(g) 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 under this section.

"(2) REGULAR COMMUNICATION.—To ensure timely and meaningful consultation, 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 a written consent signed by all members of the eligible partnership is submitted to the Secretary.

"(h) 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.

"(i) SUPPLEMENT, NOT SUPPLANT.—Funds made available 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. 203. ADMINISTRATIVE PROVISIONS.

"(a) DURATION; NUMBER OF AWARDS; PAYMENTS.—

"(1) DURATION.—A grant awarded under this part shall be awarded for a period of 5 years.

"(2) NUMBER OF AWARDS.—An eligible partnership may not receive more than 1 grant during a 5-year period. 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 consisting of new members and receiving a grant with such other eligible partnership before the 5-year period described in the preceding sentence applicable to the eligible partnership with which the individual member has first partnered has expired.

"(3) PAYMENTS.—The Secretary shall make annual payments of grant funds awarded under this part.

"(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.—In recommending applications to the Secretary for funding under this part, the panel shall give priority—

"(A) to partnerships that include an institution of higher education whose teacher preparation program has a rigorous selection process to ensure the highest quality of students entering such programs; and

"(B)(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 the grant amount, 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 2 percent of the grant funds for purposes of administering 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 performance objectives. The plan shall include objectives and measures for increasing—

"(1) student achievement for all students as measured by the eligible partnership;

"(2) teacher retention in the first 3 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 highly qualified teachers hired by the high-need local educational agency participating in the eligible partnership;

"(B) the percentage of such teachers who are members of underrepresented groups;

"(C) the percentage of such teachers who teach high-need academic subject areas (such as reading, mathematics, science, and foreign languages, including less commonly taught languages and critical foreign languages);

"(D) the percentage of such teachers 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 such teachers in high-need schools, disaggregated by the elementary, middle, and high 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 number of teachers trained effectively to integrate technology into curricula and instruction and who use technology to collect, manage, and analyze data to improve teaching, learning, and decision making for the purpose of improving student academic achievement.

"(b) INFORMATION.—An eligible partnership receiving a grant under this part shall ensure that teachers, principals, school superintendents, and faculty and leadership at institutions of higher education located in the geographic areas served by the eligible partnership are provided information about the activities carried out with funds under this part, including through electronic means.

"(c) REVOCATION OF GRANT.—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, as appropriate, of the grant by the end of the third year of a grant under this part, then the Secretary shall require such eligible partnership to submit a revised application that identifies the steps the partnership will take to make substantial progress to meet the purposes, goals, objectives, and measures, as appropriate, of 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.—

"(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, both for traditional teacher preparation programs and alternative routes to State certification or licensure programs, the following information:

"(A) PASS RATES AND SCALED SCORES.—For the most recent year for which the information is available for those students who took the assessments and are enrolled in the traditional teacher preparation program or alternative routes to State certification or licensure program, and for those who have taken the assessments and have completed the traditional teacher preparation program or alternative routes to State certification or licensure program during the 2-year period preceding such year, for each of the assessments used for teacher certification or licensure by the State in which the program is located—

"(i) the percentage of students who have completed 100 percent of the nonclinical course work and taken the assessment who pass such assessment;

"(ii) the percentage of all such students who passed each such assessment;

"(iii) the percentage of students taking an assessment who enrolled in and completed the teacher preparation program;

"(iv) the average scaled score for all students who took each 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.

"(B) PROGRAM INFORMATION.—The criteria for admission into the program, the number of students in the program (disaggregated by race, ethnicity, and gender), the average number of hours of supervised clinical experience required for those in the program, the number of full-time equivalent faculty and students in the supervised clinical experience, and the total number of students who have been certified or licensed as teachers, disaggregated by subject and area of certification or licensure.

"(C) 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.

"(D) DESIGNATION AS LOW-PERFORMING.—Whether the program has been designated as low-performing by the State under section 208(a).

"(E) USE OF TECHNOLOGY.—A description of the activities that prepare teachers to effectively integrate technology into curricula and instruction and effectively use technology to collect, manage, and analyze data in order to improve teaching, learning, and decision making for the purpose of increasing student academic achievement.

"(F) TEACHER TRAINING.—A description of the activities that prepare general and special education teachers to effectively 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, and to effectively teach students with limited English proficiency.

"(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 $25,000 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)(A), with respect to an average pass rate and scaled score on each State certification or licensure assessment taken over a 3-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, annually, in a uniform and comprehensible manner that conforms with the definitions and methods established by the Secretary, a 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 certification and licensure assessments, and any other certification and licensure requirements, used by the State.

"(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 subject areas or in particular grades within the State.

"(C) A description of how the assessments and requirements described in subparagraph (A) are aligned with the State's challenging academic content standards required under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 and 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 that offers 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 course work and taken the assessment who pass such assessment;

"(ii) the percentage of all such students at all such institutions taking the assessment who pass such assessment; and

"(iii) the percentage of students taking an assessment who enrolled in and completed the teacher preparation program.

"(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 2-year period preceding the date of the determination, 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 period preceding the date of the determination, 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, the criteria for admission into the program, 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), the average number of hours of supervised clinical experience required for those in the program, and 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) Using the data generated under subparagraphs (G) and (H), a description of the extent to which teacher preparation programs are helping to address shortages of highly qualified teachers, by area of certification or licensure, subject, and specialty, in the State's public schools.

"(J) A description of the activities that prepare general and special education teachers to effectively 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.

"(K) A description of the activities that prepare teachers to effectively integrate technology into curricula and instruction and effectively use technology to collect, manage, and analyze data to improve teaching, learning, and decision making for the purpose of increasing student academic achievement.

"(L) A description of the activities that prepare general education and special education teachers to effectively teach students with limited English proficiency.

"(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.

"(c) DATA QUALITY.—The Secretary shall prescribe regulations requiring practices and procedures 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 provide to Congress, 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. Such report shall be so provided, published, and made available annually.

"(2) REPORT TO CONGRESS.—The Secretary shall prepare and submit a report to Congress 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 1 State for teacher certification or licensure.

"(3) SPECIAL RULE.—In the case of a teacher preparation program with fewer than 10 scores reported on any single initial teacher certification or licensure assessment during an academic year, the Secretary shall collect and publish information, and make publicly available, with respect to an average pass rate and scaled score on each State certification or licensure assessment taken over a 3-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.—As a condition of receiving assistance under title IV, 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—

"(1) increasing the number of prospective teachers trained in teacher shortage areas designated by the Secretary, including mathematics, science, special education, and instruction of limited English proficient students; and

"(2) more closely linking the training provided by the institution with the needs of schools and the instructional decisions new teachers face in the classroom.

"(b) ASSURANCE.—As a condition of receiving assistance under title IV, each institution described in subsection (a) shall provide an assurance 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) prospective special education teachers receive course work in core academic subjects and receive training in providing instruction in core academic subjects;

"(3) general education teachers receive training in providing instruction to diverse populations, including children with disabilities, limited English proficient students, and children from low-income families; and

"(4) prospective teachers receive training on how to effectively teach in urban and rural schools.

"(c) PUBLIC REPORTING.—As part of the annual report card required under section 205(a)(1), an institution of higher education described in subsection (a) shall publicly report whether the goals established under such subsection have been met.

"SEC. 207. STATE FUNCTIONS.

"(a) STATE ASSESSMENT.—In order to receive funds under this Act, a State shall have in place a procedure to conduct an assessment to identify and assist, through the provision of technical assistance, low-performing programs of teacher preparation. Such State shall provide the Secretary an annual list of such low-performing teacher preparation programs that includes an identification of those programs at risk of being placed on such list. 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 highly qualified teachers in the State, including increasing professional development opportunities;

"(2) improving student achievement for all students; and

"(3) raising the standards for entry into the teaching profession.

"(b) TERMINATION OF ELIGIBILITY.—Any program of teacher preparation 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) shall not be permitted to accept or enroll any student that receives aid under title IV in the institution's teacher preparation program; and

"(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.

"(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 programs and alternative routes to State certification and licensure programs.

"SEC. 208. GENERAL PROVISIONS.

"(a) METHODS.—In complying with sections 205 and 207, 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 allow identification of individuals.

"(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 are highly qualified, as required under section 1119 of the Elementary and Secondary Education Act of 1965 and in accordance with the State plan submitted or revised under section 1111 of such Act, or that each person employed as a special education teacher in the State who teaches elementary school, middle school, or secondary school is highly qualified by the deadline, as required under section 612(a)(14)(C) of the Individuals with Disabilities Education Act,—

"(1) the Secretary shall, 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, the Secretary shall 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 educational agency 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 educational agency.

"(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 educational agency 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.

"(d) LIMITATIONS.—

"(1) FEDERAL CONTROL PROHIBITED.—Nothing in this part shall be construed to permit, allow, encourage, or authorize any Federal control over any aspect of any private, religious, or home school (whether or not a home school is treated as a private school or home school under State law). This section shall not be construed to prohibit private, religious, or home schools from participation in programs or services under this part.

"(2) NO CHANGE IN STATE CONTROL ENCOURAGED OR REQUIRED.—Nothing in this part shall be construed to encourage or require any change in a State's treatment of any private, religious, or home school (whether or not a home school is treated as a private school or home school under State law).

"(3) NATIONAL SYSTEM OF TEACHER CERTIFICATION PROHIBITED.—Nothing in this part shall be construed to permit, allow, encourage, or authorize the Secretary to establish or support any national system of teacher certification.

"SEC. 209. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part $300,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 2 succeeding fiscal years.

"PART B—PREPARING TEACHERS FOR DIGITAL AGE LEARNERS

"SEC. 221. 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) graduate 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 skills to enter the workforce;

"(2) strengthen and develop partnerships among the stakeholders in teacher preparation to transform teacher education and ensure technology rich learning environments throughout a teacher candidate's pre-service 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-learning environments that enable kindergarten through grade 12 students to develop skills to enter the workforce.

"(b) AMOUNT AND DURATION.—A grant, contract, or cooperative agreement under this part—

"(1) shall be for not more than $2,000,000;

"(2) shall be for a 3-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 part 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 part, the term 'eligible consortium' means a consortium of members that includes the following:

"(1) At least one institution of higher education that awards baccalaureate degrees and prepares teachers for initial entry into teaching.

"(2) At least 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) At least 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. 222. USES OF FUNDS.

"(a) IN GENERAL.—An eligible consortium that receives a grant or enters into a contract or cooperative agreement under this part shall use funds made available under this part 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 pre-service preparation of teacher candidates with high-needs 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 in educational settings with technology;

"(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 technology development 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 with respect to technology implementation by members of the consortium;

"(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 pre-service 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 pre-service teachers to—

"(A) develop and implement a plan for pre-service 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 pre-service teacher populations with programs that connect such pre-service 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 achievement in high-need schools;

"(5) provide additional technology resources for pre-service 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. 223. APPLICATION REQUIREMENTS.

"To be eligible to receive a grant or enter into a contract or cooperative agreement under this part, 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 pre-service 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 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 part for the project.

"(6) A plan for the evaluation of the project, which shall include benchmarks to monitor progress toward specific project objectives.

"SEC. 224. EVALUATION.

"Not less than 10 percent of the funds awarded to an eligible consortium to carry out a project under this part shall be used to evaluate the effectiveness of such project.

"SEC. 225. AUTHORIZATION OF APPROPRIATIONS.

"There is authorized to be appropriated $100,000,000 to carry out this part for fiscal year 2009 and such sums as may be necessary for each of the 2 succeeding fiscal years.

"PART C—ENHANCING TEACHER EDUCATION

"SEC. 240. 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 4 succeeding fiscal years.

"Subpart 1—Recruiting Teachers With Math, Science, or Language Majors

"SEC. 241. PROGRAM AUTHORIZED.

"(a) GRANTS AUTHORIZED.—From the amounts appropriated under section 240, the Secretary shall make competitive grants to institutions of higher education to improve the availability, recruitment, and retention of teachers from among students majoring in mathematics, science, foreign languages, special education, or teaching the English language to students who are limited English proficient, or to a combination of students majoring in such subjects. In making such grants, the Secretary shall give priority to institutions of higher education with programs that—

"(1) focus on preparing and retaining teachers in subjects in which there is a shortage of highly qualified teachers and that prepare students to teach in high-need schools; and

"(2) include plans to seek matching funds from other governmental and nongovernmental sources.

"(b) APPLICATION.—Any institution of higher education desiring to receive a grant under this subpart shall submit to the Secretary an application at such time, in such form, and containing such information and assurances as the Secretary may require, including—

"(1) the number of students who graduated from the institution in the preceding year with the qualifications necessary to be teachers with expertise in mathematics, science, a foreign language, special education, or teaching limited English proficient individuals; and

"(2) a goal and timeline for increasing the number of such teachers who graduate from the institution.

"(c) USE OF FUNDS.—Grant funds made available under this subpart—

"(1) shall be used to create and provide new recruitment incentives to encourage students who are planning to pursue other careers to pursue careers in teaching, with an emphasis on recruiting students who are majoring in high-need subjects such as mathematics, science, foreign languages, and special education, and areas relevant to teaching the English language to students who are limited English proficient;

"(2) may be used to upgrade curriculum to provide all students studying to become teachers with high-quality instructional strategies for teaching reading and teaching the English language to students who are limited English proficient, and for adopting, modifying, and differentiating instruction to teach students with disabilities;

"(3) may be used to integrate department, school, or college of education faculty with other arts and science faculty in mathematics, science, foreign languages, special education, and teaching the English language to students who are limited English proficient through steps such as—

"(A) dual appointments for faculty between departments, schools, or colleges of education and departments, schools, or colleges of arts and science; and

"(B) integrating course work with clinical experience;

"(4) may be used to develop strategic plans between departments, schools, or colleges of education and local school districts to better prepare teachers for high-need schools, including the creation of professional development partnerships for training new teachers in state-of-the-art teaching practices; and

"(5) may be used to develop or enhance programs aimed at retaining teachers in high-need subjects such as mathematics, science, foreign languages, special education, and teaching the English language to students who are limited English proficient, and may include providing scholarship assistance to current teachers to upgrade their skills.

"Subpart 2—Community Colleges as Partners in Teacher Education Grants

"SEC. 251. GRANTS TO COMMUNITY COLLEGES.

"(a) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants, on a competitive basis, to eligible entities to assist such entities with—

"(1) establishing or enhancing teacher education programs at community colleges that—

"(A) include content and pedagogical training; and

"(B) are aligned with 4-year college and university teacher education programs to ensure a seemless transition for students from community colleges to 4-year institutions;

"(2) establishing or enhancing post baccalaureate certification programs offered at community colleges;

"(3) developing and delivering a rigorous program of study for students interested in a career in teaching; and

"(4) developing and delivering professional development for teachers to ensure their continued education and professional growth.

"(b) AUTHORIZED USES OF FUNDS.—Grant funds provided under this subpart shall be used to carry out the activities described in subsection (a), and may be used to—

"(1) develop curriculum for teacher education programs and post baccalaureate certification programs at community colleges;

"(2) establish or enhance clinical experiences for students in such teacher education programs and post baccalaureate certification programs;

"(3) establish or enhance professional development programs at community colleges that are available for teachers;

"(4) develop new associate degree programs focused on teacher preparation;

"(5) increase the alignment between community college teacher education programs and 4-year college and university teacher education programs, including articulation agreements, common course numbering, and joint admission programs;

"(6) recruit teacher candidates with the goal of diversifying the teacher workforce;

"(7) prepare teachers for high-demand subject areas including science, mathematics, technology, special education, critical foreign languages, or the education of limited English proficient individuals;

"(8) prepare teachers to teach in high-need schools;

"(9) increase coordination between teacher education programs and departments, schools, or colleges of arts and sciences;

"(10) encourage teacher education and post baccalaureate programs at times and in formats designed to make these programs more accessible to certain student populations, including mid-career professionals transitioning to teaching; and

"(11) carry out other activities that aim to ensure that well-qualified individuals enter into the teaching profession.

"(c) ELIGIBLE ENTITY.—For purposes of this subpart, the term 'eligible entity' means an individual community college (or district of community colleges), a consortia of community colleges, or a statewide community college system that, for the purposes of carrying out activities under this subpart, has entered into a partnership with—

"(1) a four-year institution of higher education with a teacher education program, or a consortia of such institutions; and

"(2) at least one of the following:

"(A) The State agency that oversees teacher preparation or higher education in the State.

"(B) One or more local educational agencies.

"(C) The State educational agency.

"(D) A professional organization representing teachers.

"(d) APPLICATION.—Each eligible entity desiring a grant under this subpart 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) an overview of the goals the eligible entity and its partners plan to pursue upon receipt of a grant under this subpart;

"(2) an identification of the institutions, agencies, or organizations that have entered into a partnership with the eligible entity to meet the requirements of subsection (c);

"(3) a description of how the eligible entity and its partners will work to ensure a seemless transition for students from community college to 4-year institutions;

"(4) an assurance by the eligible entity that students will be provided with intensive support services, which may include mentoring, academic and career support, and support for students who are transitioning, or have transitioned, from the community college to the 4-year institution; and

"(5) a description of the rigorous 2-year program of study to be provided by the eligible entity, and a description of how such program establishes a foundation for students to enter into a qualified teacher preparation program at a 4-year institution.

"(e) PRIORITY.—In awarding grants under this subpart, the Secretary shall give priority to applications the goals of which are to—

"(1) increase the diversification of the teacher workforce by enrolling and retaining students from minority racial and ethnic backgrounds and others underrepresented in the local education workforce;

"(2) prepare teachers for high-demand subject areas including science, mathematics, technology, special education, critical foreign languages, or the education of limited English proficient individuals; or

"(3) prepare teachers to enter into high-need schools.

"SEC. 252. DEFINITIONS.

"In this subpart:

"(1) COMMUNITY COLLEGE.—The term 'community college' has the same meaning given the term 'junior or community college' in section 313.

"(2) FOUR-YEAR INSTITUTION.—The term '4-year institution' means an institution of higher education (as defined in section 101(a)) that provides a 4-year program of instruction for which the institution awards a bachelor's degree.

"(3) QUALIFIED TEACHER PREPARATION PROGRAM.—The term 'qualified teacher preparation program' means an undergraduate program for students at an institution of higher education that—

"(A) encourages collaboration between faculty in education and faculty in the relevant subject areas including, sciences mathematics, and foreign languages to pursue content coordination for courses taken frequently by students preparing to be teachers;

"(B) offers support services, including mentoring, exposure to and field experience in the classroom prior to graduation, or other practices, for students while they are in the program, and after graduation while working as teachers; and

"(C) focuses on increasing the number of teachers for high-demand subject areas.

"Subpart 3—Honorable Augustus F. Hawkins Centers of Excellence

"SEC. 261. 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 under section 252, 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(b));

"(vii) an Asian American and Pacific Islander-serving institution (as defined in section 319(b)); or

"(viii) a Native American-serving non-tribal institution (as defined in section 320(b));

"(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 262 is located at an institution described in subparagraph (A).

"(2) SCIENTIFICALLY BASED READING RESEARCH.—The term 'scientifically based reading research' has the meaning given such term in section 1208 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6368).

"SEC. 262. 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 are highly qualified, 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 are highly qualified, are able to understand scientifically valid research, and are able to use advanced technology effectively in the classroom, including use for 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 close student achievement gaps, and are based on rigorous academic content, scientifically valid research (including scientifically based reading research), and challenging State student academic content standards; and

"(ii) promote strong teaching skills, as defined in section 200(b).

"(2) Providing sustained and high-quality pre-service 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 highly qualified teachers and principals, including minority teachers and principals, including programs that provide—

"(A) teacher or principal mentoring from exemplary teachers or principals; or

"(B) induction and support for teachers and principals during their first 3 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.

"(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 not use more than 2 percent of the grant funds for purposes of administering the grant.

"(f) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out this subpart.

"Subpart 4—Teach for America

"SEC. 271. TEACH FOR AMERICA.

"(a) DEFINITIONS.—

"(1) GRANTEE.—The term 'grantee' means Teach For America, Inc.

"(2) HIGH NEED.—Notwithstanding section 200(b), the term 'high need', when used with respect to a local educational agency, means a local educational agency experiencing a shortage of highly qualified teachers.

"(b) GRANTS AUTHORIZED.—The Secretary is authorized to award a grant to Teach For America, Inc., the national teacher corps of outstanding recent college graduates who commit to teach for 2 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 subpart to—

"(1) provide highly qualified teachers 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 subpart 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 pre-service training to such teachers through a rigorous summer institute that includes hands-on teaching experience and significant exposure to education course work 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 2 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 subpart to support activities related directly to the recruitment, selection, training, and support of teachers as described in paragraph (1).

"(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 subpart;

"(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 section 240, the Secretary shall provide for a study that examines the achievement levels of the students taught by the teachers assisted under this subpart.

"(B) 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 subpart with the achievement gains made by students taught by teachers who are not assisted under this subpart.

"(3) REQUIREMENTS.—The Secretary shall provide for such a study not less than once every 3 years, and each such study shall include multiple placement sites and multiple schools within placement sites.

"(4) PEER REVIEW STANDARDS.—Each such study shall meet the peer review standards of the education research community.

"Subpart 5—Early Childhood Education Professional Development and Career Task Force

"SEC. 281. PURPOSE.

"It is the purpose of this subpart—

"(1) to improve the quality of the early childhood education workforce by creating a statewide early childhood education professional development and career task force for early childhood education program staff, directors, and administrators; and

"(2) to create—

"(A) a coherent system of core competencies, pathways to qualifications, credentials, degrees, quality assurances, access, and outreach, for early childhood education program staff, directors, and administrators, that is linked to compensation commensurate with experience and qualifications;

"(B) articulation agreements that enable early childhood education professionals to transition easily among degrees; and

"(C) compensation initiatives for individuals working in an early childhood education program that reflect the individuals' credentials, degrees, and experience.

"SEC. 282. DEFINITION OF EARLY CHILDHOOD EDUCATION PROGRAM.

"In this subpart, the term 'early childhood education program' means—

"(1) a family child care program, center-based child care program, State prekindergarten program, or school-based program, that—

"(A) provides early childhood education;

"(B) uses developmentally appropriate practices;

"(C) is licensed or regulated by the State; and

"(D) serves children from birth through age 5;

"(2) a Head Start Program carried out under the Head Start Act;

"(3) an Early Head Start Program carried out under section 645A of the Head Start Act; or

"(4) a program authorized under section 619 or part C of the Individuals with Disabilities Education Act.

"SEC. 283. GRANTS AUTHORIZED.

"(a) IN GENERAL.—The Secretary is authorized to award grants to States in accordance with the provisions of this subpart to enable such States—

"(1) to establish a State Task Force described in section 284; and

"(2) to support activities of the State Task Force described in section 285.

"(b) COMPETITIVE BASIS.—Grants under this subpart shall be awarded on a competitive basis.

"(c) EQUITABLE GEOGRAPHIC DISTRIBUTION.—In awarding grants under this subpart, the Secretary shall take into consideration providing an equitable geographic distribution of such grants.

"(d) DURATION.—Grants under this subpart shall be awarded for a period of 3 years.

"SEC. 284. STATE TASK FORCE ESTABLISHMENT.

"(a) STATE TASK FORCE ESTABLISHED.—The Governor of a State receiving a grant under this subpart shall establish, or designate an existing entity to serve as, the State Early Childhood Education Professional Development and Career Task Force (hereafter in this subpart referred to as the 'State Task Force').

"(b) MEMBERSHIP.—The State Task Force shall include a representative of a State educational agency, an institution of higher education (including an associate or a baccalaureate degree granting institution of higher education), an early childhood education program, a nonprofit early childhood organization, a statewide early childhood workforce scholarship or supplemental initiative, and any other entity or individual the Governor determines appropriate.

"SEC. 285. STATE TASK FORCE ACTIVITIES.

"(a) ACTIVITIES.—The State Task Force shall—

"(1) coordinate and communicate regularly with existing State Advisory Councils on Early Care and Education or a similar State entity charged with creating a comprehensive system of early care and education in the State (hereafter in this subpart referred to as 'State Advisory Councils') for the purposes of—

"(A) integrating recommendations for early childhood professional development and career activities into the plans of the State Advisory Council; and

"(B) assisting in the implementation of professional development and career activities that are consistent with the plans described in subparagraph (A);

"(2) conduct a review of opportunities for and barriers to high quality professional development, training, and higher education degree programs in early childhood development and learning, including a periodic statewide survey concerning the demographics of individuals working in early childhood education programs in the State, which survey shall include information disaggregated by—

"(A) race, gender, and ethnicity;

"(B) compensation levels;

"(C) type of early childhood education program setting;

"(D) specialized knowledge of child development;

"(E) years of experience in an early childhood education program;

"(F) attainment of—

"(i) academic credit for course work;

"(ii) an academic degree;

"(iii) a credential;

"(iv) licensure; or

"(v) certification in early childhood education; and

"(G) specialized knowledge in the education of children with limited English proficiency; and

"(3) develop a plan for a comprehensive statewide professional development and career system for individuals working in early childhood education programs or for early childhood education providers, which plan shall include—

"(A) methods of providing outreach to early childhood education program staff, directors, and administrators to enable such individuals and providers to be aware of opportunities and resources under the statewide plan, which may include outreach to underrepresented populations in the profession;

"(B) developing a unified data collection and dissemination system for early childhood education training, professional development, and higher education programs;

"(C) increasing the participation of early childhood educators in high quality training and professional development by assisting in paying the costs of enrollment in and completion of such training and professional development courses;

"(D) increasing the participation of early childhood educators in postsecondary education programs leading to degrees in early childhood education by providing assistance to pay the costs of enrollment in and completion of such postsecondary education programs, which assistance—

"(i) shall only be provided to an individual who—

"(I) enters into an agreement under which the individual agrees to work, for a reasonable number of years after receiving such a degree, in an early childhood education program that is located in a low-income area; and

"(II) has a family income equal to or less than the annually adjusted national median family income as determined by the Bureau of the Census; and

"(ii) shall be provided in an amount that does not exceed $17,500;

"(E) supporting professional development activities and a career lattice for a variety of early childhood professional roles with varying professional qualifications and responsibilities for early childhood education personnel, including strategies to enhance the compensation of such personnel;

"(F) supporting articulation agreements between 2- and 4-year public and private institutions of higher education and mechanisms to transform other training, professional development, and experience into academic credit;

"(G) developing mentoring and coaching programs to support new educators in and directors of early childhood education programs;

"(H) providing career development advising with respect to the field of early childhood education, including informing an individual regarding—

"(i) entry into and continuing education requirements for professional roles in the field;

"(ii) available financial assistance; and

"(iii) professional development and career advancement in the field;

"(I) enhancing the quality of faculty and course work in postsecondary programs that lead to an associate, baccalaureate, or graduate degree in early childhood education;

"(J) consideration of the availability of on-line graduate level professional development offered by institutions of higher education with experience and demonstrated expertise in establishing programs in child development, in order to improve the skills and expertise of individuals working in early childhood education programs; and

"(K) developing or enhancing a system of quality assurance with respect to the early childhood education professional development and career system, including standards or qualifications for individuals and entities who offer training and professional development in early childhood education.

"(b) PUBLIC HEARINGS.—The State Task Force shall hold public hearings and provide an opportunity for public comment on the activities described in the statewide plan described in subsection (a)(3).

"(c) PERIODIC REVIEW.—The State Task Force shall meet periodically to review implementation of the statewide plan and to recommend any changes to the statewide plan the State Task Force determines necessary.

"SEC. 286. STATE APPLICATION AND REPORT.

"(a) IN GENERAL.—Each State 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 reasonably require. Each such application shall include a description of—

"(1) the membership of the State Task Force;

"(2) the activities for which the grant assistance will be used;

"(3) other Federal, State, local, and private resources that will be available to support the activities of the State Task Force described in section 285;

"(4) the availability within the State of training, educator preparation, professional development, compensation initiatives, and career systems, related to early childhood education; and

"(5) the resources available within the State for such training, educator preparation, professional development, compensation initiatives, and career systems.

"(b) REPORT TO THE SECRETARY.—Not later than 2 years after receiving a grant under this subpart, a State shall submit a report to the Secretary that shall describe—

"(1) other Federal, State, local, and private resources that will be used in combination with a grant under this subpart to develop or expand the State's early childhood education professional development and career activities;

"(2) the ways in which the State Advisory Council will coordinate the various State and local activities that support the early childhood education professional development and career system; and

"(3) the ways in which the State Task Force will use funds provided under this subpart to carry out the activities described in section 285.

"SEC. 287. EVALUATIONS.

"(a) STATE EVALUATION.—Each State receiving a grant under this subpart shall—

"(1) evaluate the activities that are assisted under this subpart in order to determine—

"(A) the effectiveness of the activities in achieving State goals;

"(B) the impact of a career lattice for individuals working in early childhood education programs;

"(C) the impact of the activities on licensing or regulating requirements for individuals in the field of early childhood development;

"(D) the impact of the activities, and the impact of the statewide plan described in section 286(a)(3), on the quality of education, professional development, and training related to early childhood education programs that are offered in the State;

"(E) the change in compensation and retention of individuals working in early childhood education programs within the State resulting from the activities; and

"(F) the impact of the activities on the demographic characteristics of individuals working in early childhood education programs; and

"(2) submit a report at the end of the grant period to the Secretary regarding the evaluation described in paragraph (1).

"(b) SECRETARY'S EVALUATION.—Not later than September 30, 2013, the Secretary, in consultation with the Secretary of Health and Human Services, shall prepare and submit to the authorizing committees an evaluation of the State reports submitted under subsection (a)(2).".

SEC. 202. NATIONAL ACADEMY OF SCIENCES STUDY OF BEST PRACTICES IN TEACHER PREPARATION.

(a) IN GENERAL.—The Secretary shall enter into a contract with the National Academy of Sciences to conduct a 2-year study to develop suggested best practices in teacher preparation for departments, schools, and colleges of education. Such best practices shall include recommendations to improve teaching skills, including skills related to working with diverse populations.

(b) BEST RESEARCH; SUGGESTED TRAINING.—The suggested best practices developed under subsection (a) shall reflect the best research into how students learn and on the content-specific methods shown to be effective with students, including examining how children learn. The suggested best practices shall include suggested training for general and special education teachers in working with diverse populations, utilizing the principles of universal design for learning, assessments in the classroom, and classroom management.

(c) COLLABORATION.—

(1) IN GENERAL.—In conducting the study under subsection (a), the National Academy of Sciences shall collaborate with interested parties in developing the suggested best practices.

(2) INTERESTED PARTIES.—In this subsection, the term "interested parties" means—

(A) college presidents;

(B) deans of arts and sciences and teacher education programs;

(C) teacher preparation faculty;

(D) chief State school officers;

(E) school superintendents;

(F) teacher organizations;

(G) outstanding teachers and principals;

(H) teacher preparation accrediting organizations;

(I) individuals or organizations with expertise in working with diverse populations, including students with disabilities and limited English proficient students; and

(J) other organizations with expertise in teacher recruitment and training.

(d) PROHIBITION.—Nothing in this section shall be construed to authorize the National Academy of Sciences to recommend, or any other Federal Government entity or contractor to mandate, direct, control, or suggest, a specific curriculum for teacher education programs.

TITLE III—TITLE III AMENDMENTS

SEC. 301. PROGRAM PURPOSE.

Section 311 (20 U.S.C. 1057) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking "351" and inserting "391"; and

(B) in paragraph (3)(F), by inserting ", including services that will assist in the education of special populations" before the period; and

(2) in subsection (c)—

(A) in paragraph (6), by inserting ", including innovative, customized, instruction courses designed to help retain students and move the students rapidly into core courses and through program completion" before the period;

(B) by redesignating paragraphs (7) through (12) as paragraphs (8) through (13), respectively;

(C) by inserting after paragraph (6) the following:

"(7) Education or counseling services designed to improve the financial literacy and economic literacy of students or the students' parents.";

(D) in paragraph (12) (as redesignated by subparagraph (B)), by striking "distance learning academic instruction capabilities" and inserting "distance education technologies"; and

(E) in the matter preceding subparagraph (A) of paragraph (13) (as redesignated by subparagraph (B)), by striking "subsection (c)" and inserting "subsection (b) and section 391".

SEC. 302. TITLE III GRANTS FOR AMERICAN INDIAN TRIBALLY CONTROLLED COLLEGES AND UNIVERSITIES.

(a) ELIGIBLE INSTITUTIONS.—Section 316(b)(3) (20 U.S.C. 1059c(b)(3)) is amended to read as follows:

"(3) TRIBAL COLLEGE OR UNIVERSITY.—The term 'Tribal College or University' means an institution that—

"(A) qualifies for funding under the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.) or the Navajo Community College Assistance 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).".

(b) DISTANCE LEARNING.—Section 316(c)(2) is amended—

(1) by amending subparagraph (B) to read as follows:

"(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;";

(2) in subparagraph (C), by inserting before the semicolon at the end the following: ", or advanced degrees in tribal governance or tribal public policy";

(3) in subparagraph (D), by inserting before the semicolon at the end the following: ", and in tribal governance or tribal public policy";

(4) by striking "and" at the end of subparagraph (K);

(5) by redesignating subparagraph (L) as subparagraph (M); and

(6) by inserting after subparagraph (K) the following new subparagraph:

"(L) developing or improving facilities for Internet use or other distance learning academic instruction capabilities; and".

(c) APPLICATION AND ALLOTMENT.—Section 316(d) is amended to read as follows:

"(d) APPLICATION AND ALLOTMENT.—

"(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) APPLICATION.—Any Tribal College or University desiring to receive assistance under this section shall submit an application to the Secretary at such time, and in such manner, as the Secretary may reasonably require.

"(3) MINIMUM GRANT.—Notwithstanding section 399(c), the amount allotted to each institution under this section shall not be less than $500,000.

"(4) SPECIAL RULES.—

"(A) CONCURRENT FUNDING.—For the purposes of this part, no Tribal College or University that is eligible for and receives funds under this section shall concurrently receive funds under other provisions of this part or part B.

"(B) EXEMPTION.—Section 313(d) shall not apply to institutions that are eligible to receive funds under this section.".

(d) ALLOTMENT OF REMAINING FUNDS.—Section 316 is further amended by adding at the end the following new subsection:

"(e) ALLOTMENT OF REMAINING FUNDS.—The Secretary shall distribute any funds appropriated to carry out this section for any fiscal year that remain available after the Secretary has awarded grants under subsection (e), to each eligible institution as follows:

"(1) 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 College or University Assistance Act of 1978 (25 U.S.C. 1801(a)) of the Tribal Colleges and Universities; and

"(2) the remaining 40 percent shall be distributed in equal shares to the eligible Tribal Colleges and Universities.".

SEC. 303. PREDOMINANTLY BLACK INSTITUTIONS.

Part A of title III is amended by inserting after section 317 (20 U.S.C. 1059d) the following new section:

"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.—For purposes of this section:

"(1) PREDOMINANTLY BLACK INSTITUTION.—The term 'Predominantly Black Institution' means an institution of higher education—

"(A) that is an eligible institution (as defined in paragraph (5)(A) of this subsection) with a minimum of 1,000 undergraduate students;

"(B) at which at least 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(g)); and

"(C) at which at least 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 it is located.

"(2) LOW-INCOME INDIVIDUAL.—The term 'low-income individual' has the meaning given such term in section 402A(g).

"(3) 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, or both, are determined on the basis of income or resources of the individual or family seeking the benefit.

"(4) STATE.—The term 'State' means each of the 50 States and the District of Columbia.

"(5) OTHER DEFINITIONS.—For purposes of this section, the terms defined by section 312 have the meanings provided by that section, except as follows:

"(A) ELIGIBLE INSTITUTION.—

"(i) The term 'eligible institution' means an institution of higher education that—

"(I) has an enrollment of needy undergraduate students as required and defined by subparagraph (B);

"(II) except as provided in section 392(b), the average educational and general expenditure of which are 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;

"(III) has an enrollment of undergraduate students that is at least 40 percent Black American students;

"(IV) is legally authorized to provide, and provides within the State, an educational program for which the institution awards a bachelors degree, or in the case of a junior or community college, an associate's degree;

"(V) 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

"(VI) is not receiving assistance under part B of this title.

"(ii) In awarding grants under this section the Secretary shall give priority to Predominantly Black Institutions with large numbers or percentages of students described in clause (i)(II) or clause (i)(III). The level of priority given to Predominantly Black Institutions with large numbers or percentages of students described in paragraph (1)(B) shall be twice the level of priority given to Predominantly Black Institutions with large numbers or percentages of students described in paragraph (1)(C).

"(B) ENROLLMENT OF NEEDY STUDENTS.—The term 'enrollment of needy students' means the enrollment at an eligible institution with respect to which at least 50 percent of the undergraduate students enrolled in an academic program leading to a degree—

"(i) in the second fiscal year preceding the fiscal year for which the determination is made, were Pell Grant recipients in such year;

"(ii) come from families that receive benefits under a means-tested Federal benefits program (as defined in paragraph (3));

"(iii) attended a secondary school that was a high-need school during any year of such attendance; or

"(iv) are 'first-generation college students' as that term is defined in section 402A(g), and a majority of such first-generation college students are low-income individuals.

"(c) AUTHORIZED ACTIVITIES.—

"(1) TYPES OF ACTIVITIES AUTHORIZED.—Grants awarded pursuant to subsection (d) shall be used by Predominantly Black Institutions—

"(A) to assist the 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 title IV eligible students by encouraging college preparation and student persistence in secondary and postsecondary education; and

"(C) to strengthen the institution's financial ability to serve the academic needs of the students described in subparagraphs (A) and (B).

"(2) AUTHORIZED ACTIVITIES.—Grants made to an institution under subsection (d) shall be used for one or more of the following activities:

"(A) The activities described in section 311(c)(1) through (11).

"(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 or secondary school in the State that shall include, as part of such program, preparation for teacher certification.

"(D) Establishing community outreach programs which will encourage elementary and secondary students to develop the academic skills and the interest to pursue postsecondary education.

"(E) Other activities proposed in the application submitted pursuant to subsection (e) that—

"(i) contribute to carrying out the purposes of this section; and

"(ii) are approved by the Secretary as part of the review and acceptance of such application.

"(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), the Predominantly Black Institution shall provide matching funds from non-Federal sources, in an amount equal to or greater than 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).

"(4) LIMITATION.—Not more than 50 percent of the allotment of any Predominantly Black Institution may be available for the purpose of constructing or maintaining a classroom, library, laboratory, or other instructional facility.

"(d) ALLOTMENTS TO PREDOMINANTLY BLACK INSTITUTIONS.—

"(1) ALLOTMENT: PELL GRANT BASIS.—From the amount 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 (e) 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 academic year preceding the beginning of that fiscal year bears to the total number of Pell Grant recipients at all institutions eligible under this section.

"(2) ALLOTMENT: GRADUATES BASIS.—From the amount 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 (e) a sum which bears the same ratio to one-fourth that amount as the number of graduates for such year at such institution bears to the total number of graduates for such year at all intuitions eligible under this section.

"(3) ALLOTMENT: GRADUATES SEEKING A HIGHER DEGREE BASIS.—From the amount 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 (e) a sum which bears the same ratio to one-fourth of that amount as the percentage of graduates per institution who, within 2 years of graduation with an associates degree or a baccalaureate degree, are admitted to and in attendance at, either 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 per institution for all eligible institutions.

"(4) MINIMUM ALLOTMENT.—(A) Notwithstanding paragraphs (1), (2), and (3) of this subsection and section 399(c), the amount allotted to each Predominantly Black Institution under this section shall not be less than $250,000.

"(B) If the amount appropriated pursuant to section 399 for any fiscal year is not sufficient to pay the minimum allotment, the amount of such minimum allotment shall be ratably reduced. If additional sums become available for such fiscal year, such reduced allocation shall be increased on the same basis as it was reduced until the amount allotted equals the minimum allotment required by subparagraph (A).

"(5) REALLOTMENT.—The amount of a Predominantly Black Institution's allotment under paragraph (1), (2), (3), or (4) 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 to other Predominantly Black Institutions in proportion to the original allotment 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 deems appropriate.

"(e) APPLICATIONS.—No Predominantly Black Institution shall be entitled to its allotment of Federal funds for any grant under subsection (d) for any period unless the institution 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.

"(f) APPLICATION REVIEW PROCESS.—Section 393 shall not apply to applications under this section.

"(g) PROHIBITION.—No Predominantly Black Institution that applies for and receives a grant under this section may apply for or receive funds under any other program under this part or part B of this title.

"(h) DURATION AND CARRYOVER.—Any funds paid to a Predominantly Black Institution under this section and not expended or used for the purposes for which the funds were paid within 10 years following the date of the grant awarded to such institution under this section shall be repaid to the Treasury of the United States.".

SEC. 304. ASSISTANCE TO ASIAN AMERICAN AND NATIVE AMERICAN PACIFIC ISLANDER-SERVING INSTITUTIONS.

Part A of title III is amended by inserting after section 318 (as added by section 303 of this Act) the following new section:

"SEC. 319. 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.

"(b) DEFINITIONS.—For the purpose of this section—

"(1) 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) 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;

"(3) 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; and

"(4) 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.

"(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.

"(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 under-represented;

"(L) conducting research and data collection for Asian American and Native American Pacific Islander populations and sub-populations; and

"(M) establishing partnerships with community based organizations serving Asian Americans and Native American Pacific Islanders.

"(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 by regulation require.

"(2) APPLICATIONS.—Any institution which 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 5-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

"(B) such other information and assurance as the Secretary may 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 other provisions of this part or part B.

"(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 that serve a significant percentage of Asian American and Native American Pacific Islander students who are low-income individuals.".

SEC. 305. NATIVE AMERICAN-SERVING, NONTRIBAL INSTITUTIONS.

(a) GRANT PROGRAM AUTHORIZED.—Part A of title III (20 U.S.C. 1057 et seq.) is amended by adding after section 319 (as added by section 304 of this Act) the following new section:

"SEC. 320. NATIVE AMERICAN-SERVING, NONTRIBAL INSTITUTIONS.

"(a) PROGRAM AUTHORIZED.—The Secretary shall provide grants and related assistance to Native American-serving, nontribal institutions to enable such institutions to improve and expand their capacity to serve Native Americans.

"(b) DEFINITIONS.—In this section:

"(1) NATIVE AMERICAN.—The term 'Native American' means an individual who is of a tribe, people, or culture that is indigenous to the United States.

"(2) NATIVE AMERICAN-SERVING, NONTRIBAL INSTITUTION.—The term 'Native American-serving, nontribal institution' means an institution of higher education that, at the time of application—

"(A) has an enrollment of undergraduate students that is not less than 10 percent Native American students; and

"(B) is not a Tribal College or University (as defined in section 316).

"(c) AUTHORIZED ACTIVITIES.—

"(1) TYPES OF ACTIVITIES AUTHORIZED.—Grants awarded under this section shall be used by Native American-serving, nontribal institutions to assist such institutions to plan, develop, undertake, and carry out activities to improve and expand such institutions' capacity to serve Native Americans.

"(2) EXAMPLES OF AUTHORIZED ACTIVITIES.—Such programs may include—

"(A) the 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 faculty in attaining advanced degrees in the faculty's field of instruction;

"(D) curriculum development and academic instruction;

"(E) the 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) the joint use of facilities such as laboratories and libraries; and

"(H) academic tutoring and counseling programs and student support services.

"(d) APPLICATION PROCESS.—

"(1) INSTITUTIONAL ELIGIBILITY.—A Native American-serving, nontribal 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 a Native American-serving, nontribal institution, along with such other information and data as the Secretary may by regulation require.

"(2) APPLICATIONS.—

"(A) PERMISSION TO SUBMIT APPLICATIONS.—Any institution that is determined by the Secretary to be a Native American-serving, nontribal institution may submit an application for assistance under this section to the Secretary.

"(B) SIMPLIFIED AND STREAMLINED FORMAT.—The Secretary shall, to the extent possible, prescribe a simplified and streamlined format for applications under this section that takes into account the limited number of institutions that are eligible for assistance under this section.

"(C) CONTENT.—An application submitted under subparagraph (A) shall include—

"(i) a 5-year plan for improving the assistance provided by the Native American-serving, nontribal institution to Native Americans; and

"(ii) such other information and assurances as the Secretary may require.

"(3) SPECIAL RULES.—

"(A) ELIGIBILITY.—No Native American-serving, nontribal institution that receives funds under this section shall concurrently receive funds under other provisions of this part or part B.

"(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. 306. STRENGTHENING HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.

(a) DEFINITIONS.—Section 322(4) (20 U.S.C. 1061(4)) is amended by inserting after "the Secretary" the following: ", in consultation with the Commissioner of the National Center for Education Statistics,".

(b) AUTHORIZED ACTIVITIES.—Section 323(a) (20 U.S.C. 1062(a)) is amended—

(1) by redesignating paragraph (12) as paragraph (15); and

(2) by inserting after paragraph (11) the following new paragraphs:

"(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' parents, especially with regard to student indebtedness and student assistance programs under the title IV.

"(14) Technical assistance or 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.".

(c) ALLOTMENTS.—

(1) MINIMUM ALLOTMENT.—Subsection (d) of section 324 (20 U.S.C. 1063(d)) is amended to read as follows:

"(d) MINIMUM ALLOTMENT.—(1) If an otherwise eligible part B institution did not enroll any Pell Grant recipients, or did not graduate any students in the previous academic year, or where appropriate, send any such graduates on to graduate or first-professional degree study, the institution shall not receive a grant under this part.

"(2) If the data provided by an eligible institution, pursuant to this section, is insufficient to justify an award in excess of $500,000, the otherwise eligible institution shall receive an allotment of $500,000, except that the Secretary shall not make an award of $500,000 if the amount determined based upon the formulas using subsection (b), (c), and (d) would be less than $250,000. If the amount determined by the formula would be less than $250,000, the Secretary shall award the minimum allotment of $250,000.".

(2) CONDITION FOR ALLOTMENTS.—Section 324 (20 U.S.C. 1063) is further amended by adding at the end the following new subsection:

"(h) CONDITIONS FOR ALLOTMENTS.—No institution shall receive an allotment under this section unless the institution provides data, required by the Secretary consistent with the formula in subsections (a) through (c), including the number of Pell Grant recipients enrolled in the previous award year; the number of students who earned an associate or baccalaureate degree in the previous academic year; and, when appropriate, the percentage of graduates who, within the past five years, enrolled in a graduate or first-professional degree program. No institution shall receive an allotment, including the minimum allotment under subsection (d), unless the institution provides the data required of that institution by the Secretary.".

(d) PROFESSIONAL OR GRADUATE INSTITUTIONS.—

(1) DURATION OF GRANT.—Section 326(b) (20 U.S.C. 1063b(b)) is amended by adding at the end the following new sentence: "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.".

(2) AUTHORIZED ACTIVITIES.—Section 326(c) (20 U.S.C. 1063b(c)) is amended—

(A) by striking "and" at the end of paragraph (6);

(B) by striking the period at the end of paragraph (7) and inserting a semicolon; and

(C) by adding at the end the following new paragraphs:

"(8) acquisition of real property 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' parents, especially with

regard to student indebtedness and student assistance programs under the title IV; and

"(10) technical assistance or 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.".

(3) ELIGIBILITY.—Section 326(e)(1) (20 U.S.C. 1063b(e)(1)) is amended—

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

(B) by striking the period at the end of subparagraph (R) and inserting a semicolon; and

(C) by adding at the end the following new subparagraphs:

"(S) Alabama State University qualified graduate programs;

"(T) Bowie State University qualified graduate programs;

"(U) Delaware State University qualified graduate programs;

"(V) Langston University qualified graduate programs;

"(W) Prairie View A&M University qualified graduate programs; and

"(X) University of the District of Columbia David A. Clarke School of Law.".

(4) CONFORMING AMENDMENT.—Section 326(e)(3) (20 U.S.C. 1063b(e)(3)) is amended—

(A) by striking "1998" and inserting "2008"; and

(B) by striking "(Q) and (R)" and inserting "(S) through (X)".

(5) PRESERVATION OF FUNDING.—Section 326(f) (20 U.S.C. 1063b(f)) is amended—

(A) in paragraph (1)—

(i) by striking "$26,600,000" and inserting "$54,500,000"; and

(ii) by striking "(P)" and inserting "(R)";

(B) in paragraph (2)—

(i) by striking "$26,600,000, but not in excess of $28,600,000" and inserting "$54,500,000, but not in excess of $60,500,000"; and

(ii) by striking "subparagraphs (Q) and (R)" and inserting "subparagraphs (S) through (X)"; and

(C) in paragraph (3)—

(i) by striking "$28,600,000" and inserting "$60,500,000"; and

(ii) by striking "(R)" and inserting "(X)".

(e) UNEXPENDED FUNDS.—Section 327(b) (20 U.S.C. 1063c(b)) is amended to read as follows:

"(b) 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 five-year period following the date of the initial grant award, may be carried over and expended during the succeeding five-year period, if such funds were obligated for a purpose for which the funds were paid during the five-year period following the date of the initial grant award.".

SEC. 307. ENDOWMENT CHALLENGE GRANTS.

(a) AMOUNTS.—Section 331(b) (20 U.S.C. 1065(b)) is amended—

(1) in paragraph (2)(B)(i), by striking "$500,000" and inserting "$1,000,000"; and

(2) in paragraph (5), by striking "$50,000" and inserting "$100,000".

(b) TECHNICAL ASSISTANCE.—Section 331 (20 U.S.C. 1065) is further amended by adding at the end the following new subsection:

"(l) TECHNICAL ASSISTANCE.—The Secretary, directly or by grant or contract, may provide technical assistance to eligible institutions to prepare the institutions to qualify, apply for, and maintain a grant, under this section.".

SEC. 308. LIMITATIONS ON FEDERAL INSURANCE FOR BONDS ISSUED BY THE DESIGNATED BONDING AUTHORITY.

Section 344(a) (20 U.S.C. 1066c(a)) is amended—

(1) by striking "$375,000,000" and inserting "$1,100,000,000";

(2) by striking "$250,000,000" and inserting "$733,333,333"; and

(3) by striking "$125,000,000" and inserting "$366,666,666".

SEC. 309. PROGRAMS IN STEM FIELDS.

(a) YES PARTNERSHIPS; ENTRY INTO STEM FIELDS.—Part E of title III (20 U.S.C.1067 et seq.) is amended—

(1) by redesignating subpart 2 as subpart 3; and

(2) by inserting after subpart 1 the following new subpart:

"Subpart 2—Programs in STEM Fields

"SEC. 355. YES PARTNERSHIPS GRANT PROGRAM.

"(a) GRANT PROGRAM AUTHORIZED.—Subject to the availability of appropriations to carry out this subpart, the Secretary shall make grants to eligible partnerships (as described in subsection (f)) to support underrepresented minority youth engagement in science, technology, engineering, and mathematics through outreach and hands-on, experiential-based learning projects that encourage underrepresented minority students in kindergarten through grade 12 to pursue careers in science, technology, engineering, and mathematics.

"(b) MINIMUM GRANT AMOUNT.—A grant awarded to a partnership under this subpart shall be for an amount that is not less than $500,000.

"(c) DURATION.—A grant awarded under this subpart shall be for a period of 5 years.

"(d) NON-FEDERAL MATCHING SHARE REQUIRED.—A partnership receiving a grant under this subpart shall provide, from non-Federal sources, in cash or in kind, an amount equal to 50 percent of the costs of the project supported by such grant.

"(e) DISTRIBUTION OF GRANTS.—In awarding grants under this subpart, the Secretary shall ensure that, to the maximum extent practicable, the projects funded under this subpart are located in diverse geographic regions of the United States.

"(f) ELIGIBLE PARTNERSHIPS.—Notwithstanding the general eligibility provision in section 361, eligibility to receive grants under this subpart is limited to partnerships described in paragraph (5) of such section.

"SEC. 356. PROMOTION OF ENTRY INTO STEM FIELDS.

"(a) AUTHORITY TO CONTRACT, SUBJECT TO APPROPRIATIONS.—The Secretary of Education is authorized to enter into a contract with a firm with a demonstrated record of success in advertising to implement a campaign to expand the population of qualified individuals in science, technology, engineering, and math (STEM) fields by encouraging young Americans to enter the those fields.

"(b) DESIGN OF CAMPAIGN.—Such a campaign shall be designed to enhance the image of education and professions in the STEM fields and promote participation in the STEM fields and shall include—

"(1) monitoring trends in youth attitudes toward pursuing education and professions in the STEM fields and their propensity toward entering the STEM fields;

"(2) determining what factors contribute to encouraging and discouraging Americans from pursuing study in STEM fields and entering the STEM fields professionally;

"(3) determining what specific factors limit the participation of groups currently underrepresented in STEM fields, including Latinos, African-Americans, and women; and

"(4) drawing from the market research performed under this section and implementing an advertising campaign to encourage young Americans to take up studies in STEM fields, beginning at an early age.

"(c) REQUIRED COMPONENTS.—Such a campaign shall include components that focus tailored messages on appropriate age groups, starting with elementary school students. Such a campaign shall link participation in the STEM fields to the concept of service to one's country, so that young people will be encouraged to enter the STEM fields in order fulfill the obligation to be of service to their country.

"(d) PRIORITY.—Such a campaign shall hold as a high priority making specific appeals to Latinos, African-Americans, and women, who are currently under-represented in the STEM fields, in order to increase their numbers in the STEM fields, and shall tailor recruitment efforts to each specific group.

"(e) USE OF VARIETY OF MEDIA.—Such a campaign shall make use of a variety of media, with an emphasis on television advertising, to reach its intended audience.

"(f) TEACHING.—Such a campaign shall include a narrowly focused effort to attract current professionals in the STEM fields, through advertising in mediums likely to reach that specific group, into teaching in a STEM field in elementary and secondary school.

"SEC. 357. EVALUATION AND ACCOUNTABILITY PLAN.

"The Secretary shall develop an evaluation and accountability plan for projects funded under this subpart to objectively measure the impact of such projects, including a measure of whether underrepresented minority student enrollment in courses related to science, technology, engineering, and mathematics increases at the secondary and postsecondary levels.".

(b) ELIGIBILITY FOR GRANTS.—Section 361 (20 U.S.C. 1067g) is amended—

(1) by striking "or" at the end of paragraph (3);

(2) in paragraph (4)—

(A) by inserting "to include public institutions of higher education" after "organizations,";

(B) by striking "or" at the end of subparagraph (D);

(C) by striking the period at the end of subparagraph (E) and inserting "; or";

(D) by adding at the end the following new subparagraph:

"(F) institutions of higher education which have State-approved centers for research in science, technology, engineering, and mathematics; or";

(3) by adding at the end the following new paragraph:

"(5) only with respect to grants under subpart 2, partnerships of organizations, the membership of which shall include—

"(A) at least one institution of higher education eligible for assistance under this title or title V;

"(B) at least one high need local educational agency (as defined in section 200); and

"(C) at least two community organizations or entities, such as businesses, professional associations, community-based organizations, philanthropic organizations, or State agencies.".

SEC. 310. TECHNICAL ASSISTANCE.

Section 391 (20 U.S.C. 1068) is amended by adding at the end the following new subsection:

"(e) TECHNICAL ASSISTANCE.—The Secretary, directly or by grant or contract, may provide technical assistance to eligible institutions to prepare the institutions to qualify, apply for, and maintain a grant, under this title.".

SEC. 311. WAIVER AUTHORITY.

(a) Section 392 (20 U.S.C. 1068a) is amended by adding at the end the following new subsection:

"(c) WAIVER AUTHORITY WITH RESPECT TO INSTITUTIONS LOCATED IN AN AREA AFFECTED BY A GULF HURRICANE DISASTER.—

"(1) WAIVER AUTHORITY.—Notwithstanding any other provision of the law unless enacted with specific reference to this section, for any affected institution that was receiving assistance under this title at the time of a Gulf hurricane disaster, the Secretary shall, for each of the fiscal years 2009 through 2013—

"(A) waive—

"(i) the eligibility data requirements set forth in section 391(d);

"(ii) the wait-out period set forth in section 313(d);

"(iii) the allotment requirements under section 324; and

"(iv) the use of the funding formula developed pursuant to section 326(f)(3); and

"(B) waive or modify any statutory or regulatory provision to ensure that affected institutions that were receiving assistance under this title at the time of a Gulf hurricane disaster are not adversely impacted by any formula calculation for fiscal year 2009 or for any of the 4 succeeding fiscal years;

"(C) make available to each affected institution an amount that is not less than the amount made available to such institution under this title for fiscal year 2006.

"(2) DEFINITIONS.—In this subsection:

"(A) AFFECTED INSTITUTION.—The term 'affected institution' means an institution of higher education that—

"(i) is—

"(I) a part A institution, as such term is defined in section 312(b);

"(II) an American Indian Tribal College or University, as such term is defined in section 316(b);

"(III) an Alaskan Native-serving institution or Native Hawaiian-serving institution, as such terms are defined in section 317(b); or

"(IV) a part B institution, as such term is defined in section 322(2), or as identified in section 326(e) of such Act of 1965 (20 U.S.C. 1063(b));

"(ii) is located in an area affected by a Gulf hurricane disaster; and

"(iii) is able to demonstrate that, as a result of the impact of a Gulf hurricane disaster, the institution—

"(I) incurred physical damage;

"(II) has pursued collateral source compensation from insurance, the Federal Emergency Management Agency, and the Small Business Administration, as appropriate; and

"(III) was not able to fully reopen in existing facilities or to fully reopen to the pre-hurricane enrollment levels during the 30-day period beginning on August 29, 2005.

"(B) 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. 2809).".

SEC. 312. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATIONS.—Section 399(a) (20 U.S.C. 1068h(a)) is amended to read as follows:

"(a) AUTHORIZATIONS.—

"(1) PART A.—(A) There are authorized to be appropriated to carry out part A, $150,000,000 (other than sections 316 through 320) for fiscal year 2009, and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(B) There are authorized to be appropriated to carry out section 316, $30,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(C) There are authorized to be appropriated to carry out section 317, $15,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(D) There are authorized to be appropriated to carry out section 318, $75,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(E) There are authorized to be appropriated to carry out section 319, $30,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(F) There are authorized to be appropriated to carry out section 320, $25,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(2) PART B.—(A) There are authorized to be appropriated to carry out part B (other than section 326), $300,000,000 for fiscal year 2009, and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(B) There are authorized to be appropriated to carry out section 326, $100,000,000 for fiscal year 2009, and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(3) PART C.—There are authorized to be appropriated to carry out part C, $20,000,000 for fiscal year 2009, and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(4) PART D.—(A) There are authorized to be appropriated to carry out part D (other than section 345(7), but including section 347), $150,000 for fiscal year 2009, and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(B) There are authorized to be appropriated to carry out section 345(7), such sums as may be necessary for fiscal year 2009 and each of the 4 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 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(B) There are authorized to be appropriated to carry out subpart 2 of part E, $10,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.".

(b) MINIMUM GRANT AMOUNT.—Section 399 (20 U.S.C. 1068h) is amended by adding at the end the following:

"(c) MINIMUM GRANT AMOUNT.—The minimum amount of a grant under this title shall be $200,000.".

SEC. 313. TECHNICAL CORRECTIONS.

(a) AMENDMENTS.—Title III (20 U.S.C. 1051 et seq.) is further amended—

(1) in section 342(5)(C) (20 U.S.C. 1066a(5)(C)), by striking ",," and inserting ",";

(2) in section 343(e) (20 U.S.C. 1066b(e)), by inserting "SALE OF QUALIFIED BONDS.—" before "Notwithstanding";

(3) in the matter preceding clause (i) of section 365(9)(A) (20 U.S.C. 1067k(9)(A)), by striking "support" and inserting "supports";

(4) in section 391(b)(7)(E) (20 U.S.C. 1068(b)(7)(E)), by striking "subparagraph (E)" and inserting "subparagraph (D)";

(5) in the matter preceding subparagraph (A) of section 392(b)(2) (20 U.S.C. 1068a(b)(2)), by striking "eligible institutions under part A institutions" and inserting "eligible institutions under part A"; and

(6) in the matter preceding paragraph (1) of section 396 (20 U.S.C. 1068e), by striking "360" and inserting "399".

(b) REDESIGNATION AND RELOCATION.—The Higher Education Act of 1965 is further amended—

(1) by redesignating part J of title IV (as added by section 802 of the College Cost Reduction and Access Act) as part G of title III, and moving such part from the end of title IV to the end of title III; and

(2) by redesignating section 499A (as added by such section) as section 399A.

TITLE IV—TITLE IV AMENDMENTS

PART A—PART A AMENDMENTS

SEC. 401. FEDERAL PELL GRANTS.

(a) AUTHORIZED MAXIMUMS.—Section 401(b)(2)(A) (20 U.S.C. 1070a(b)(2)(A)) is amended to read as follows:

"(2)(A) The amount of the Federal Pell Grant for a student eligible under this part shall be $9,000 for each of the academic years 2009–2010 through 2013–2014, less an amount equal to the amount determined to be the expected family contribution with respect to that student for that year.".

(b) MULTIPLE GRANTS.—

(1) AMENDMENT.—Paragraph (5) of section 401(b) is amended to read as follows:

"(5) YEAR-ROUND PELL GRANTS.—The Secretary shall, for students enrolled in a baccalaureate degree, associate's degree, or certificate program of study at an eligible institution, award such students not more than two Pell grants during an award year to permit such students to accelerate progress toward their degree or certificate objectives by enrolling in courses for more than 2 semesters, or 3 quarters, or the equivalent, in a given academic year.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be effective July 1, 2009.

(c) INELIGIBILITY BASED ON INVOLUNTARY CIVIL COMMITMENT FOR SEXUAL OFFENSES.—Paragraph (7) of section 401(b) (as redesignated by section 101(a) of the College Cost Reduction and Access Act) is amended by inserting before the period the following: "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)".

(d) TECHNICAL AMENDMENT TO CCRAA.—Section 401(b)(9)(F) is amended by striking "remain available" and all that follows and inserting "remain available for the fiscal year succeeding the fiscal year for which such amounts are made available.".

(e) MAXIMUM DURATION OF ELIGIBILITY.—Section 401(c) is amended by adding at the end the following new paragraph:

"(5) The period during which a student may receive Federal Pell Grants shall not exceed the equivalent of 18 semesters or 27 quarters in duration, as determined by the Secretary by regulation. Such regulations shall provide, with respect to a student who received a Federal Pell Grant for a semester or quarter but was enrolled at a fraction of full-time, that only that same fraction of such semester or quarter shall count towards such duration limits. The provisions of this paragraph shall apply only to a student who receives a Federal Pell Grant for the first time on or after July 1, 2008.".

(f) ACADEMIC COMPETITIVENESS GRANTS.—Section 401A (as amended by section 8003 of Public Law 109–171)—

(1) in subsection (b), by striking "academic" each place it appears;

(2) in subsection (c)—

(A) in the matter preceding paragraph (1)—

(i) by striking "academic" and inserting "award"; and

(ii) by striking "full–time"; and

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

"(1) is an eligible student under section 484, including being enrolled or accepted for enrollment in a degree, certificate, or other eligible program leading to a recognized educational credential at an institution of higher education;"; and

(C) in paragraph (3)—

(i) by striking "academic" each place it appears;

(ii) by striking "established by a State or local educational agency and recognized as such by the Secretary" each place it appears in subparagraphs (A)(i) and (B)(i) and inserting "that prepares students for college and work beyond the basic graduation requirements and that is recognized as such by the designated State official, or with respect to any private school or home school, the designated school official for such school, consistent with State law";

(iii) in subparagraph (A)(ii), by inserting ", except as part of a secondary school program of study" before the semicolon;

(iv) in subparagraph (C)—

(I) by striking clause (i)(II) and inserting the following:

"(II) a critical foreign language; and"; and

(II) in clause (ii), by striking the period at the end and inserting "; and"; and

(v) by adding at the end the following:

"(D) the third or fourth year of a program of undergraduate education at an institution of higher education (as defined in section 101(a)) that demonstrates, to the satisfaction of the Secretary, that the institution—

"(i) offers a single liberal arts curriculum leading to a baccalaureate degree, under which students are not permitted by the institution to declare a major in a particular subject area, and those students—

"(I) study, in such years, a subject described in subparagraph (C)(i) that is at least equal to the requirements for an academic major at an institution of higher education that offers a baccalaureate degree in such subject, as certified by an appropriate official from the institution; or

"(II) has obtained a cumulative grade point average of at least 3.0 (or the equivalent as determined under regulations prescribed by the Secretary) in the relevant coursework; and

"(ii) offered such curriculum prior to February 8, 2006.";

(3) in subsection (d)—

(A) in paragraph (1)(A)—

(i) in clause (i), by inserting "for one academic year during the student's first year of enrollment" after "$750";

(ii) in clause (ii), by inserting "for one academic year during the student's second year of enrollment" after "$1,300"; and

(iii) in clause (iii)—

(I) by inserting "for one academic year" after "$4,000"; and

(II) by striking "subsection (c)(3)(C)." and inserting "subparagraph (C) or (D) of subsection (c)(3), for each of the 2 years described in such subparagraphs; or";

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) by striking "an academic" and inserting "a"; and

(II) by striking "(B), or (C)" and inserting "(B), (C), or (D)"; and

(ii) in subparagraph (B)—

(I) by striking "or" at the end of clause (ii); and

(II) by striking clause (iii) and inserting the following:

"(iii) two academic years under subsection (c)(3)(C); or

"(iv) two academic years under subsection (c)(3)(D)."; and

(C) by adding at the end the following new paragraph:

"(3) ADJUSTMENT FOR LESS THAN FULL-TIME ENROLLMENT.—A grant awarded under this section to an eligible student who attends an eligible institution on a less than full-time (but at least half-time or more) basis shall be reduced in the same proportion as would a Federal Pell Grant pursuant to section 401(b)(2)(B).";

(4) in subsection (g), by striking "academic" and inserting "award".

SEC. 402. FEDERAL TRIO PROGRAMS.

(a) PROGRAM AUTHORITY; AUTHORIZATION OF APPROPRIATIONS.—Section 402A (20 U.S.C. 1070a–11) is amended—

(1) in subsection (b)—

(A) in paragraph (1)—

(i) by inserting "community-based organizations with experience in serving disadvantaged youth" after "private agencies and organizations"; and

(ii) by striking "in exceptional circumstances,";

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking "4" and inserting "5";

(ii) by striking subparagraph (A); and

(iii) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(C) by striking paragraph (3) and inserting the following:

"(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.";

(2) in subsection (c)—

(A) in paragraph (2), by striking "service delivery" and inserting "high quality service delivery, as determined under subsection (f),";

(B) in paragraph (3)(B), by striking "is not required to" and inserting "shall not";

(C) in paragraph (5), by striking "campuses" and inserting "different campuses"; and

(D) in paragraph (6), by adding at the end the following new sentence: "The Secretary shall require each applicant for funds under the programs authorized by this chapter to identify services to foster care youth as a permissible service in those programs, and to ensure that such youth receive supportive services, including mentoring, tutoring, and other services provided by those programs.";

(3) in subsection (e)—

(A) by striking "(g)(2)" each place it appears and inserting "(h)(4)"; and

(B) by adding at the end the following new paragraph:

"(3) Notwithstanding this subsection and subsection (i)(4), individuals who are homeless or unaccompanied youth as defined in section 725 of the McKinney-Vento Homeless Assistance Act shall be eligible to participate in programs under sections 402B, 402C, 402D, and 402F of this chapter.";

(4) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively;

(5) by inserting after subsection (e) the following:

"(f) OUTCOME CRITERIA.—

"(1) USE FOR PRIOR EXPERIENCE DETERMINATION.—The Secretary shall use the outcome criteria described in paragraphs (2) and (3) to evaluate the programs provided by a recipient of a grant under this chapter, and the Secretary shall determine an eligible entity's prior experience of high quality service delivery, as required under subsection (c)(2), based on the outcome criteria.

"(2) DISAGGREGATION OF RELEVANT DATA.—The outcome criteria under this subsection shall be disaggregated by low-income students, first generation college students, 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;

"(iv) the completion by such students of a rigorous secondary school program of study that will make them eligible for programs such as the Academic Competitiveness Grants; and

"(v) the enrollment of such students in an institution of higher education.

"(B) For programs authorized under section 402C, 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 them eligible for programs such as the Academic Competitiveness Grants; and

"(vi) the enrollment of such students in an institution of higher education.

"(C) 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 percentage of students served by the program who completed degree programs met or exceeded the entity's objectives; 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 the students served by the entity met or exceeded s objectives regarding—

"(aa) the completion of a degree or certificate; and

"(bb) the transfer to institutions of higher education that offer baccalaureate degrees;

"(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 such students remaining in good academic standing.

"(D) 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, 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

"(iv) the continued enrollment of such students in graduate study and the attainment of doctoral degrees by former program participants.

"(E) 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;

"(ii) the 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, 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 an 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 for funding by the Secretary, with the results for the criterion, measured as of the last day of the applicable time period for the determination for each outcome criteria.

"(5) APPEALS.—Upon determination by the Secretary not to accept an application, or upon determination by the Secretary through the peer review process as specified in (c)(4) not to fund an application, for any program under this chapter, the Secretary shall allow such applicant to appeal to an administrative law judge that the Secretary improperly rejected or improperly scored the evaluation criteria points. The Secretary shall notify each entity requesting assistance under this chapter regarding the status of their application at least 90 days prior to the startup date of such program.";

(6) in subsection (g) (as redesignated by paragraph (4))—

(A) in the first sentence, by striking "$700,000,000 for fiscal year 1999" and all that follows through the period and inserting "$950,000,000 for fiscal year 2009 and such sums for each of the 4 succeeding fiscal years."; and

(B) by striking the fourth sentence; and

(7) in subsection (h) (as redesignated by paragraph (4))—

(A) by redesignating paragraphs (1) through (4) as paragraphs (3) through (6), respectively;

(B) by inserting before paragraph (3) (as redesignated by subparagraph (A)) the following:

"(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.";

(C) in paragraph (5) (as redesignated by subparagraph (A))—

(i) in subparagraph (A)—

(I) by striking ", any part of which occurred after January 31, 1955,"; and

(II) by striking "or" after the semicolon;

(ii) in subparagraph (B)—

(I) by striking "after January 31, 1955,"; and

(II) by striking the period at the end and inserting a semicolon; and

(iii) by adding at the end the following:

"(C) was a member of a reserve component of the Armed forces called to active duty for a period of more than 180 days; or

"(D) 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."; and

(D) in paragraph (6), by striking "subparagraph (A) or (B) of paragraph (3)" and inserting "subparagraph (A), (B), or (C) of paragraph (5)".

(b) UPWARD BOUND.—Section 402C (20 U.S.C. 1070a–13) is amended—

(1) in subsection (b)(11), by inserting ", including mathematics and science preparation," after "special services"; and

(2) by adding at the end the following:

"(f) ABSOLUTE PRIORITY PROHIBITED IN UPWARD BOUND PROGRAM.—Except as otherwise expressly provided by amendment to this section, the Secretary shall not implement or enforce, and shall rescind, the absolute priority for Upward Bound Program participant selection and evaluation published by the Department of Education in the Federal Register on September 22, 2006 (71 Fed. Reg. 55447 et seq.).".

(c) AMENDMENT TO POSTBACCALAUREATE ACHIEVEMENT PROGRAM.—Section 402E(c)(2) (20 U.S.C. 1070a–15(c)(2)) is amended by inserting ", including Native Hawaiians, as defined section 317(b)(3), and Pacific Islanders" after "graduate education".

(d) REPORTS, EVALUATIONS, AND GRANTS FOR PROJECT IMPROVEMENT AND DISSEMINATION.—Section 402H (20 U.S.C. 1070a–18) is amended—

(1) by striking the section heading and inserting "**REPORTS, EVALUATIONS, AND GRANTS FOR PROJECT IMPROVEMENT AND DISSEMINATION**.";

(2) by redesignating subsections (a) through (c) as subsections (b) through (d), respectively;

(3) by inserting before subsection (b) (as redesignated by paragraph (2)) the following:

"(a) REPORTS TO THE AUTHORIZING COMMITTEES.—The Secretary shall submit annually to the authorizing committees a report that documents the performance of all programs funded under this chapter. The report shall—

"(1) be submitted not later than 24 months after the eligible entities receiving funds under this chapter are required to report their performance to the Secretary;

"(2) focus on the programs' performance on the relevant outcome criteria determined under section 402A(f)(4);

"(3) aggregate individual project performance data on the outcome criteria in order to provide national performance data for each program;

"(4) include, when appropriate, descriptive data, multi-year data, and multi-cohort data; and

"(5) include comparable data on the performance nationally of low-income students, first-generation students, and students with disabilities."; and

(4) in subsection (b) (as redesignated by paragraph (2)), by striking paragraph (2) and inserting the following:

"(2) PRACTICES.—

"(A) IN GENERAL.—The evaluations described in paragraph (1) shall identify institutional, community, and program or project practices that are particularly effective in—

"(i) enhancing the access of low-income individuals and first-generation college students to postsecondary education;

"(ii) the preparation of the 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 its 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). Such practices may be used by eligible entities that receive assistance under this chapter after the dissemination.

"(3) RECRUITMENT.—The Secretary shall not require an eligible entity desiring to receive assistance under this chapter to recruit students to serve as a control group for purposes of evaluating any program or project assisted under this chapter.

"(4) CONSIDERATION.—When designing an evaluation under this subsection, the Secretary shall consider—

"(A) the burden placed upon the program participants or the eligible entity; and

"(B) approval by the institution's institutional review board.".

SEC. 403. GEARUP AMENDMENTS.

(a) ELIGIBLE STUDENTS.—Section 404A(a) (20 U.S.C. 1070a–21(a)) is amended—

(1) in paragraph (1), by inserting ", including students with disabilities," after "low-income students"; and

(2) in paragraph (2)(A), by inserting ", including students with disabilities," after "secondary school students".

(b) AWARD PERIOD; PRIORITY.—Section 404A(b) (20 U.S.C. 1070a–21(b)) is amended by striking paragraph (2) and inserting the following:

"(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 7 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 College Opportunity and Affordability Act of 2007, 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 College Opportunity and Affordability Act of 2007 continue to receive assistance through the completion of secondary school.".

(c) REQUIREMENTS: CONTINUITY OF SERVICES.—

(1) COHORT APPROACH.—Section 404B(g)(1) (20 U.S.C. 1070a–22(g)(1)) is amended—

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

(B) in subparagraph (B)—

(i) by inserting "and provide the option of continued services through the student's first year of attendance at an institution of higher education" after "grade level"; and

(ii) by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(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) EARLY INTERVENTION.—Section 404D (20 U.S.C. 1070a–24) is amended—

(A) in subsection (a)(1)(B)—

(i) by striking "and" at the end of clause (ii);

(ii) by striking the period at the end of clause (iii) and inserting "; and"; and

(iii) by adding at the end the following new clause:

"(iv) the transition to college or postsecondary education through continuity of services to support students in and through the first year of attendance at an institution of higher education.";

(B) in subsection (b)(2)(A)—

(i) by inserting "and students in the first year of attendance at an institution of higher education" after "grade 12";

(ii) by striking "and" at the end of clause (i);

(iii) by striking the period at the end of clause (ii) and inserting "; and"; and

(iv) by adding at the end the following new clause:

"(iii) may include special programs or tutoring in science, technology, engineering, or mathematics."; and

(C) in subsection (c)—

(i) in the matter preceding paragraph (1), by striking "grade 12 who is eligible" and inserting "grade 12, and may consider a student in the first year of attendance at an institution, who is";

(ii) in paragraph (1), by inserting "eligible" before "to be counted";

(iii) in paragraph (2), by inserting "eligible" before "for free", and by striking "or";

(iv) in paragraph (3), by inserting "eligible" before "for assistance", and by striking the period and inserting a semicolon; and

(v) by adding at the end the following new paragraphs:

"(4) in foster care; or

"(5) a homeless or unaccompanied youth as defined in section 725 of the McKinney-Vento Homeless Assistance Act.".

(d) FLEXIBILITY IN MEETING MATCHING REQUIREMENTS.—Section 404C (20 U.S.C. 1070a–23) is amended—

(1) in subsection (b)—

(A) in paragraph (1)(A), by inserting "and accrued over the full duration of the grant award period" after "in cash or in kind";

(B) in paragraph (2), by adding at the end the following new sentence: "Eligible entities may request a reduced match percentage at the time of application or by petition subsequent to a grant award, provided that an eligible entity can demonstrate a change in circumstances that was unknown at the time of application."; and

(C) by adding at the end the following new paragraph:

"(3) ADDITIONAL SPECIAL RULE.—To encourage eligible entities described in 404A(c) to provide students under this chapter with financial assistance for postsecondary education, each dollar of non-Federal funds obligated under subsection (c)(1) and (c)(2) shall, for purposes of paragraph (1)(A) of this subsection, be treated as 2 dollars."; and

(2) in subsection (c)—

(A) in paragraph (1), by striking "paid to students from State, local, institutional, or private funds under this chapter" and inserting "obligated to students from State, local, institutional, or private funds under this chapter, including pre-existing , non-Federal financial assistance programs";

(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 new paragraph:

"(4) other resources recognized by the Secretary, including equipment and supplies, cash contribution from non-Federal sources, transportation expenses, in-kind or discounted program services, indirect costs, and facility usage.".

(e) EARLY INTERVENTION.—Section 404D (20 U.S.C. 1070a–24) is amended—

(1) in subsection (b)(2)(A)(ii), by striking "and academic counseling" and inserting ", academic counseling, and financial literacy and economic literacy education or counseling";

(2) in subsection (b)(2), by adding at the end the following new subparagraphs:

"(F) 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.

"(G) Engaging entities described in section 404A(c)(2)(C) in a collaborative manner to provide matching resources and participate in other activities authorized under this section.

"(H) 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 described in section 404A(c) to eligible students, their families, and communities."; and

(3) by adding at the end of subsection (b) the following new paragraph:

"(3) ADDITIONAL PERMISSIBLE ACTIVITIES FOR STATES.—In meeting the requirements of subsection (a), an eligible entity described in section 404A(c) (1) receiving funds under this chapter may, in addition to the activities authorized by paragraph (2) of this subsection, use funds to provide technical assistance to—

"(A) middle schools or secondary schools that are located within the State; or

"(B) partnerships described in section 404A(c)(2) that are located within the State.".

(f) SCHOLARSHIP COMPONENT.—Section 404E (20 U.S.C. 1070a–25) is amended—

(1) in subsection (a)(1), by inserting "to supplement aid for which they are regularly eligible" after "shall establish or maintain a financial assistance program that awards scholarships to students";

(2) in subsection (a)(2), by inserting "to supplement aid for which they are regularly eligible" after "An eligible entity described in section 404A(c)(2) may award scholarships to eligible students"; and

(3) in subsection (b)(2), by striking "the maximum Federal Pell Grant" and inserting "the minimum Federal Pell Grant".

(g) AUTHORIZATION OF APPROPRIATIONS.—Section 404H (20 U.S.C. 1070a–31) is amended by striking "$200,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years" and inserting "$400,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years".

SEC. 404. ACADEMIC ACHIEVEMENT INCENTIVE SCHOLARSHIPS.

Chapter 3 of subpart 1 of part A of title IV (20 U.S.C. 1070a–31 et seq.) is repealed.

SEC. 405. FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 413A(b)(1) (20 U.S.C. 1070b(b)(1)) is amended by striking "$675,000,000 for fiscal year 1999" and inserting "$875,000,000 for fiscal year 2009".

(b) ALLOWANCE FOR BOOKS AND SUPPLIES.—Section 413D(c)(3)(D) (20 U.S.C. 1070b–3(c)(3)(D)) is amended by striking "$450" and inserting "$600".

SEC. 406. GRANTS FOR ACCESS AND PERSISTENCE.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 415A(b) (20 U.S.C. 1070c(b)) is amended by striking paragraphs (1) and (2) and inserting the following:

"(1) IN GENERAL.—There are authorized to be appropriated to carry out this subpart $200,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(2) RESERVATION.—For any fiscal year for which the amount appropriated under paragraph (1) exceeds $30,000,000, the excess amount shall be available to carry out section 415E.".

(b) APPLICATIONS FOR LEVERAGING EDUCATIONAL ASSISTANCE PARTNERSHIP PROGRAMS.—Section 415C(b) (20 U.S.C. 1070c–2(b)) is amended—

(1) in paragraph (2), by striking "$5,000" and inserting "$12,500";

(2) in paragraph (9), by striking "and" after the semicolon;

(3) in paragraph (10), by striking the period at the end and inserting "; and"; and

(4) by adding at the end the following:

"(11) provides notification to eligible students that such grants are—

"(A) Leveraging Educational Assistance Partnership Grants; and

"(B) funded by the Federal Government and the State.".

(c) GRANTS FOR ACCESS AND PERSISTENCE.—Section 415E (20 U.S.C. 1070c–3a) is amended to read as follows:

"SEC. 415E. GRANTS FOR ACCESS AND PERSISTENCE.

"(a) PURPOSE.—It is the purpose of this section to expand college access and increase college persistence by making allotments to States to enable the States to—

"(1) expand and enhance partnerships with institutions of higher education, early information and intervention, mentoring, or outreach programs, private corporations, philanthropic organizations, and other interested parties to carry out activities under this section and to provide coordination and cohesion among Federal, State, and local governmental and private efforts that provide financial assistance to help low-income students attend college;

"(2) provide need-based access and persistence grants to eligible low-income students;

"(3) provide early notification to low-income students of their eligibility for financial aid; and

"(4) encourage increased participation in early information and intervention, mentoring, or outreach programs.

"(b) ALLOTMENTS TO STATES.—

"(1) IN GENERAL.—

"(A) AUTHORIZATION.—From sums reserved under section 415A(b)(2) for each fiscal year, the Secretary shall make an allotment to each State that submits an application for an allotment in accordance with subsection (c) to enable the State to pay the Federal share of the cost of carrying out the activities under subsection (d).

"(B) DETERMINATION OF ALLOTMENT.—In making allotments under subparagraph (A), the Secretary shall consider the following:

"(i) CONTINUATION OF AWARD.—If a State continues to meet the specifications established in its application under subsection (c), the Secretary shall make an allotment to such State that is not less than the allotment made to such State for the previous fiscal year.

"(ii) PRIORITY.—The Secretary shall give priority in making allotments to States that meet the requirements under paragraph (2)(B)(ii).

"(2) FEDERAL SHARE.—

"(A) IN GENERAL.—The Federal share of the cost of carrying out the activities under subsection (d) for any fiscal year shall not exceed 66.66 percent.

"(B) DIFFERENT PERCENTAGES.—The Federal share under this section shall be determined in accordance with the following:

"(i) The Federal share of the cost of carrying out the activities under subsection (d) shall be equal to 57 percent if a State applies for an allotment under this section in partnership with any number of degree-granting institutions of higher education in the State whose combined full-time enrollment represents less than a majority of all students attending institutions of higher education in the State, and—

"(I) philanthropic organizations that are located in, or that provide funding in, the State; or

"(II) private corporations that are located in, or that do business in, the State.

"(ii) The Federal share of the cost of carrying out the activities under subsection (d) shall be equal to 66.66 percent if a State applies for an allotment under this section in partnership with any number of degree-granting institutions of higher education in the State whose combined full-time enrollment represents a majority of all students attending institutions of higher education in the State, and—

"(I) philanthropic organizations that are located in, or that provide funding in, the State; or

"(II) private corporations that are located in, or that do business in, the State.

"(C) NON-FEDERAL SHARE.—

"(i) IN GENERAL.—The non-Federal share under this section may be provided in cash or in kind, fairly evaluated.

"(ii) IN KIND CONTRIBUTION.—For the purpose of calculating the non-Federal share under this subparagraph, an in kind contribution is a non-cash contribution that—

"(I) has monetary value, such as the provision of—

"(aa) room and board; or

"(bb) transportation passes; and

"(II) helps a student meet the cost of attendance at an institution of higher education.

"(iii) EFFECT ON NEEDS ANALYSIS.—For the purpose of calculating a student's need in accordance with part F, an in kind contribution de-

scribed in clause (ii) shall not be considered an asset or income of the student or the student's parent.

"(c) APPLICATION FOR ALLOTMENT.—

"(1) IN GENERAL.—

"(A) SUBMISSION.—A State that desires to receive an allotment 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) CONTENT.—An application submitted under subparagraph (A) shall include the following:

"(i) A description of the State's plan for using the allotted funds.

"(ii) Assurances that the State will provide matching funds, in cash or in kind, from State, institutional, philanthropic, or private funds, of not less than 33.33 percent of the cost of carrying out the activities under subsection (d). The State shall specify the methods by which matching funds will be paid and include provisions designed to ensure that funds provided under this section will be used to supplement, and not supplant, Federal and non-Federal funds available for carrying out the activities under this title. A State that uses non-Federal funds to create or expand existing partnerships with nonprofit organizations or community-based organizations in which such organizations match State funds for student scholarships, may apply such matching funds from such organizations toward fulfilling the State's matching obligation under this clause.

"(iii) Assurances that early information and intervention, mentoring, or outreach programs exist within the State or that there is a plan to make such programs widely available.

"(iv) A description of the organizational structure that the State has in place to administer the activities under subsection (d).

"(v) A description of the steps the State will take to ensure students who receive grants under this section persist to degree completion.

"(vi) Assurances that the State has a method in place, such as acceptance of the automatic zero expected family contribution determination described in section 479(c), to identify eligible low-income students and award State grant aid to such students.

"(vii) Assurances that the State will provide notification to eligible low-income students that grants under this section are—

"(I) Leveraging Educational Assistance Partnership Grants; and

"(II) funded by the Federal Government and the State.

"(2) STATE AGENCY.—The State agency that submits an application for a State under section 415C(a) shall be the same State agency that submits an application under paragraph (1) for such State.

"(3) PARTNERSHIP.—In applying for an allotment under this section, the State agency shall apply for the allotment in partnership with—

"(A) not less than one public and one private degree-granting institution of higher education that are located in the State;

"(B) new or existing early information and intervention, mentoring, or outreach programs located in the State; and

"(C) not less than one—

"(i) philanthropic organization located in, or that provides funding in, the State; or

"(ii) private corporation located in, or that does business in, the State.

"(4) ROLES OF PARTNERS.—

"(A) STATE AGENCY.—A State agency that is in a partnership receiving an allotment under this section—

"(i) shall—

"(I) serve as the primary administrative unit for the partnership;

"(II) provide or coordinate matching funds, and coordinate activities among partners;

"(III) encourage each institution of higher education in the State to participate in the partnership;

"(IV) make determinations and early notifications of assistance as described under subsection (d)(2); and

"(V) annually report to the Secretary on the partnership's progress in meeting the purpose of this section; and

"(ii) may provide early information and intervention, mentoring, or outreach programs.

"(B) DEGREE-GRANTING INSTITUTIONS OF HIGHER EDUCATION.—A degree-granting institution of higher education (as defined in section 102) that is in a partnership receiving an allotment under this section—

"(i) shall—

"(I) recruit and admit participating qualified students and provide such additional institutional grant aid to participating students as agreed to with the State agency;

"(II) provide support services to students who receive an access and persistence grant under this section and are enrolled at such institution; and

"(III) assist the State in the identification of eligible students and the dissemination of early notifications of assistance as agreed to with the State agency; and

"(ii) may provide funding for early information and intervention, mentoring, or outreach programs or provide such services directly.

"(C) PROGRAMS.—An early information and intervention, mentoring, or outreach program that is in a partnership receiving an allotment under this section shall provide direct services, support, and information to participating students.

"(D) PHILANTHROPIC ORGANIZATION OR PRIVATE CORPORATION.—A philanthropic organization or private corporation that is in a partnership receiving an allotment under this section shall provide funds for access and persistence grants for participating students, or provide funds or support for early information and intervention, mentoring, or outreach programs.

"(d) AUTHORIZED ACTIVITIES.—

"(1) IN GENERAL.—

"(A) ESTABLISHMENT OF PARTNERSHIP.—Each State receiving an allotment under this section shall use the funds to establish a partnership to award access and persistence grants to eligible low-income students in order to increase the amount of financial assistance such students receive under this subpart for undergraduate education expenses.

"(B) AMOUNT.—

"(i) PARTNERSHIPS WITH INSTITUTIONS SERVING LESS THAN A MAJORITY OF STUDENTS IN THE STATE.—

"(I) IN GENERAL.—In the case where a State receiving an allotment under this section is in a partnership described in subsection (b)(2)(B)(i), the amount of an access and persistence grant awarded by such State shall be not less than the amount that is equal to the average undergraduate tuition and mandatory fees at 4-year public institutions of higher education in the State where the student resides (less any other Federal or State sponsored grant amount, college work study amount, and scholarship amount received by the student) and such amount shall be used toward the cost of attendance at an institution of higher education, located in the State, that is a partner in the partnership.

"(II) COST OF ATTENDANCE.—A State that has a program, apart from the partnership under this section, of providing eligible low-income students with grants that are equal to the average undergraduate tuition and mandatory fees at 4-year public institutions of higher education in the State, may increase the amount of access and persistence grants awarded by such State up to an amount that is equal to the average cost of attendance at 4-year public institutions of higher education in the State (less any other Federal or State sponsored grant amount, college work study amount, and scholarship amount received by the student).

"(ii) PARTNERSHIP WITH INSTITUTIONS SERVING THE MAJORITY OF STUDENTS IN THE STATE.—In the case where a State receiving an allotment under this section is in a partnership described in subsection (b)(2)(B)(ii), the amount of an access and persistence grant awarded by such State shall be not less than the average cost of attendance at 4-year public institutions of higher education in the State where the student resides (less any other Federal or State sponsored grant amount, college work study amount, and scholarship amount received by the student) and such amount shall be used by the student to attend an institution of higher education, located in the State, that is a partner in the partnership.

"(2) EARLY NOTIFICATION.—

"(A) IN GENERAL.—Each State receiving an allotment under this section shall annually notify low-income students (such as students who are eligible to receive a free lunch under the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.)) in grade 7 through grade 12 in the State, and their families, of

their potential eligibility for student financial assistance, including an access and persistence grant, to attend an institution of higher education.

"(B) CONTENT OF NOTICE.—The notification under subparagraph (A)—

"(i) shall include—

"(I) information about early information and intervention, mentoring, or outreach programs available to the student;

"(II) information that a student's candidacy for an access and persistence grant is enhanced through participation in an early information and intervention, mentoring, or outreach program;

"(III) an explanation that student and family eligibility and participation in other Federal means-tested programs may indicate eligibility for an access and persistence grant and other student aid programs;

"(IV) a nonbinding estimation of the total amount of financial aid a low-income student with a similar income level may expect to receive, including an estimation of the amount of an access and persistence grant and an estimation of the amount of grants, loans, and all other available types of aid from the major Federal and State financial aid programs;

"(V) an explanation that in order to be eligible for an access and persistence grant, at a minimum, a student shall meet the requirement under paragraph (3), graduate from secondary school, and enroll at an institution of higher education that is a partner in the partnership;

"(VI) information on any additional requirements (such as a student pledge detailing student responsibilities) that the State may impose for receipt of an access and persistence grant under this section; and

"(VII) instructions on how to apply for an access and persistence grant and an explanation that a student is required to file a Free Application for Federal Student Aid authorized under section 483(a) to be eligible for such grant and assistance from other Federal and State financial aid programs; and

"(ii) may include a disclaimer that access and persistence grant awards are contingent upon—

"(I) a determination of the student's financial eligibility at the time of the student's enrollment at an institution of higher education that is a partner in the partnership;

"(II) annual Federal and State appropriations; and

"(III) other aid received by the student at the time of the student's enrollment at an institution of higher education that is a partner in the partnership.

"(3) ELIGIBILITY.—In determining which students are eligible to receive access and persistence grants, the State shall ensure that each such student complies with the following subparagraph (A) or (B):

"(A) Meets not less than 2 of the following criteria, with priority given to students meeting all of the following criteria:

"(i) Has an expected family contribution equal to zero (as described in section 479) or a comparable alternative based upon the State's approved criteria in section 415C(b)(4).

"(ii) Has qualified for a free lunch, or at the State's discretion a reduced price lunch, under the school lunch program established under the Richard B. Russell National School Lunch Act.

"(iii) Qualifies for the State's maximum undergraduate award, as authorized under section 415C(b).

"(iv) Is participating in, or has participated in, a Federal, State, institutional, or community early information and intervention, mentoring, or outreach program, as recognized by the State agency administering activities under this section.

"(B) Is receiving, or has received, an access and persistence grant under this section, in accordance with paragraph (5).

"(4) GRANT AWARD.—Once a student, including a student who has received early notification under paragraph (2) from the State, applies for admission to an institution that is a partner in the partnership, files a Free Application for Federal Student Aid and any related State form, and is determined to be eligible by the State under paragraph (3), the State shall—

"(A) issue the student a preliminary access and persistence grant award certificate with tentative award amounts; and

"(B) inform the student that payment of the access and persistence grant award amounts is subject to certification of enrollment and award eligibility by the institution of higher education.

"(5) DURATION OF AWARD.—An eligible student that receives an access and persistence grant under this section shall receive such grant award for each year of such student's undergraduate education in which the student remains eligible for assistance under this title, including pursuant to section 484(c), and remains financially eligible as determined by the State, except that the State may impose reasonable time limits to baccalaureate degree completion.

"(e) ADMINISTRATIVE COST ALLOWANCE.—A State that receives an allotment under this section may reserve not more than 3.5 percent of the funds made available annually through the allotment for State administrative functions required to carry out this section.

"(f) STATUTORY AND REGULATORY RELIEF FOR INSTITUTIONS OF HIGHER EDUCATION.—The Secretary may grant, upon the request of an institution of higher education that is in a partnership described in subsection (b)(2)(B)(ii) and that receives an allotment under this section, a waiver for such institution from statutory or regulatory requirements that inhibit the ability of the institution to successfully and efficiently participate in the activities of the partnership.

"(g) APPLICABILITY RULE.—The provisions of this subpart which are not inconsistent with this section shall apply to the program authorized by this section.

"(h) MAINTENANCE OF EFFORT REQUIREMENT.—Each State receiving an allotment under this section for a fiscal year shall provide the Secretary an assurance that the aggregate amount expended per student or the aggregate expenditures by the State, from funds derived from non-Federal sources, for the authorized activities described in subsection (d) for the preceding fiscal year were not less than the amount expended per student or the aggregate expenditure by the State for such activities for the second preceding fiscal year.

"(i) SPECIAL RULE.—Notwithstanding subsection (h), for purposes of determining a State's share of the cost of the authorized activities described in subsection (d), the State shall consider only those expenditures from non-Federal sources that exceed its total expenditures for need-based grants, scholarships, and work-study assistance for fiscal year 1999 (including any such assistance provided under this subpart).

"(j) REPORTS.—Not later than 3 years after the date of enactment of the College Opportunity and Affordability Act of 2007, and annually thereafter, the Secretary shall submit a report describing the activities and the impact of the partnerships under this section to the authorizing committees.".

(d) CONTINUATION AND TRANSITION.—During the 2-year period commencing on the date of enactment of this Act, the Secretary shall continue to award grants under section 415E of the Higher Education Act of 1965 (20 U.S.C. 1070c–3a), as such section existed on the day before the date of enactment of this Act, to States that choose to apply for grants under such predecessor section.

(e) IMPLEMENTATION AND EVALUATION.—Section 491(j) (20 U.S.C. 1098(j)) is amended—

(1) in paragraph (4), by striking "and" after the semicolon;

(2) by redesignating paragraph (5) as paragraph (6); and

(3) by inserting after paragraph (4) the following:

"(5) not later than 6 months after the date of enactment of the College Opportunity and Affordability Act of 2007, advise the Secretary on means to implement the activities under section 415E, and the Advisory Committee shall continue to monitor, evaluate, and make recommendations on the progress of partnerships that receive allotments under such section; and".

SEC. 407. SPECIAL PROGRAMS FOR STUDENTS WHOSE FAMILIES ARE ENGAGED IN MIGRANT AND SEASONAL FARMWORK.

Section 418A (20 U.S.C. 1070d–2) is amended—

(1) in subsection (b)—

(A) in paragraph (1)(B)(i), by striking "parents" and inserting "immediate family";

(B) in paragraph (3)(B), by inserting "(including preparation for college entrance examinations)" after "college program";

(C) in paragraph (5), by striking "weekly";

(D) in paragraph (7), by striking "and" after the semicolon;

(E) in paragraph (8)—

(i) by inserting "(such as transportation and child care)" after "services"; and

(ii) by striking the period at the end and inserting "; and"; and

(F) by adding at the end the following:

"(9) other activities to improve persistence and retention in postsecondary education.";

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking "parents" and inserting "immediate family"; and

(ii) in subparagraph (B)—

(I) in the matter preceding clause (i), by inserting "to improve placement, persistence, and retention in postsecondary education," after "services"; and

(II) in clause (i), by striking "and career" and inserting "career, and economic education or personal finance";

(iii) in subparagraph (E), by striking "and" after the semicolon;

(iv) by redesignating subparagraph (F) as subparagraph (G);

(v) by inserting after subparagraph (E) the following:

"(F) internships; and"; and

(vi) in subparagraph (G) (as redesignated by clause (iv)), by striking "support services" and inserting "essential supportive services (such as transportation and child care)"; and

(B) in paragraph (2)—

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

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

(iii) by adding at the end the following:

"(C) for students attending 2-year institutions of higher education, encouraging the students to transfer to 4-year institutions of higher education, where appropriate, and monitoring the rate of transfer of such students.";

(3) in subsection (e), by striking "section 402A(c)(1)" and inserting "section 402A(c)(2)";

(4) in subsection (f)—

(A) in paragraph (1), by striking "$150,000" and inserting "$180,000"; and

(B) in paragraph (2), by striking "$150,000" and inserting "$180,000";

(5) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively;

(6) by inserting after subsection (f) the following:

"(g) RESERVATION OF FUNDS.—From the amounts made available under subsection (i), the Secretary may reserve not more than a total of ½ of 1 percent for outreach activities, technical assistance, and professional development programs relating to the programs under subsection (a).";

(7) by striking subsection (h) (as redesignated by paragraph (5)) and inserting the following:

"(h) DATA COLLECTION.—The Commissioner for Education Statistics 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;

"(2) not less often than once every 2 years, prepare and submit to the authorizing committees a report based on the most recently available data under paragraph (1) to the authorizing committees; and

"(3) make such report available to the public."; and

(8) in subsection (i) (as redesignated by paragraph (5))—

(A) in paragraph (1), by striking "$15,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2009 and each of the 4 succeeding fiscal years."; and

(B) in paragraph (2), by striking "$5,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums for fiscal year 2009 and each of the 4 succeeding fiscal years.".

SEC. 408. ROBERT C. BYRD HONORS SCHOLARSHIP PROGRAM.

Subpart 6 of part A of title IV is amended to read as follows:

"Subpart 6—Robert C. Byrd American Competitiveness Program

"SEC. 419A. ROBERT C. BYRD MATHEMATICS AND SCIENCE HONORS SCHOLARSHIP PROGRAM.

"(a) PURPOSE.—The purpose of this section is to award scholarships to students who are enrolled in studies leading to baccalaureate and advanced degrees in physical, life, or computer sciences, mathematics, or engineering.

"(b) DEFINITIONS.—As used in this section—

"(1) the term 'computer science' means the branch of knowledge or study of computers, including such fields of knowledge or study as computer hardware, computer software, computer engineering, information systems, and robotics;

"(2) the term 'eligible student' means a student who—

"(A) is a citizen of the United States;

"(B) is selected by the managing agent to receive a scholarship;

"(C) is enrolled full-time in an institution of higher education, other than a United States service academy; and

"(D) has shown a commitment to and is pursuing a major in studies leading to a baccalaureate, masters, or doctoral degree (or a combination thereof) in physical, life, or computer sciences, mathematics, or engineering;

"(3) the term 'engineering' means the science by which the properties of matter and the sources of energy in nature are made useful to humanity in structures, machines, and products, as in the construction of engines, bridges, buildings, mines, and chemical plants, including such fields of knowledge or study as aeronautical engineering, chemical engineering, civil engineering, electrical engineering, industrial engineering, materials engineering, manufacturing engineering, and mechanical engineering;

"(4) the term 'life sciences' means the branch of knowledge or study of living things, including such fields of knowledge or study as biology, biochemistry, biophysics, microbiology, genetics, physiology, botany, zoology, ecology, and behavioral biology, except that the term does not encompass social psychology or the health professions;

"(5) the term 'managing agent' means an entity to which an award is made under subsection (c) to manage a program of Mathematics and Science Honors Scholarships;

"(6) the term 'mathematics' means the branch of knowledge or study of numbers and the systematic treatment of magnitude, relationships between figures and forms, and relations between quantities expressed symbolically, including such fields of knowledge or study as statistics, applied mathematics, and operations research; and

"(7) the term 'physical sciences' means the branch of knowledge or study of the material universe, including such fields of knowledge or study as astronomy, atmospheric sciences, chemistry, earth sciences, ocean sciences, physics, and planetary sciences.

"(c) AWARD.—

"(1)(A) From funds appropriated under section 419F to carry out this section, the Secretary is authorized, through a grant or cooperative agreement, to make an award to a private, non-profit organization, other than an institution of higher education or system of institutions of higher education, to manage, through a public and private partnership, a program of Mathematics and Science Honors Scholarships under this section.

"(B) The award under subparagraph (A) shall be for a five-year period.

"(2)(A) One hundred percent of the funds awarded under paragraph (1)(A) for any fiscal year shall be obligated and expended solely on scholarships to eligible students.

"(B) No Federal funds shall be used to provide more than 50 percent of the cost of any scholarship to an eligible student.

"(C) The maximum scholarship award shall be the difference between an eligible student's cost of attendance minus any non-loan based aid such student receives.

"(3)(A) The Secretary may establish—

"(i) eligibility criteria for applicants for managing agent, including criteria regarding financial and administrative capability; and

"(ii) operational standards for the managing agent, including management and performance requirements, such as audit, recordkeeping, record retention, and reporting procedures and requirements.

"(B) The Secretary, as necessary, may review and revise any criteria, standards, and rules established under this paragraph and, through the agreement with the managing agent, see that any revisions are implemented.

"(4) If the managing agent fails to meet the requirements of this section the Secretary may terminate the award to the managing agent.

"(5) The Secretary shall conduct outreach efforts to help raise awareness of the Mathematics and Science Honors Scholarships.

"(d) DUTIES OF THE MANAGING AGENT.—The managing agent shall—

"(1) develop criteria to award Mathematics and Science Honors Scholarships based on established measurements available to secondary students who wish to pursue degrees in physical, life, or computer sciences, mathematics, or engineering;

"(2) establish a Mathematics and Science Honors Scholarship Fund in a separate, named account that clearly discloses the amount of Federal and non-Federal funds deposited in the account and used for scholarships under this section;

"(3) solicit funds for scholarships and for the administration of the program from non-Federal sources;

"(4) solicit applicants for scholarships;

"(5) from the amounts in the Fund, award scholarships to eligible students and transfer such funds to the institutions of higher education that they attend;

"(6) annually submit to the Secretary a financial audit and a report on the progress of the program, and such other documents as the Secretary may require to determine the effective management of the program; and

"(7) shall not develop a criteria that discriminates against a student based on the type of program in which the student completed his or her secondary education.

"(e) APPLICATIONS.—

"(1) Any eligible entity that desires to be the managing agent under this section shall submit an application to the Secretary, in such form and containing such information, as the Secretary may require.

"(2) Each application shall include a description of—

"(A) how the applicant meets or will meet requirements established under subsections (c)(3)(A) and (d);

"(B) how the applicant will solicit funds for scholarships and for the administration of the program from non-Federal sources;

"(C) how the applicant will provide nationwide outreach to inform students about the program and to encourage students to pursue degrees in physical, life, or computer sciences, mathematics, or engineering;

"(D) how the applicant will solicit applications for scholarships, including how the applicant will balance efforts in urban and rural areas;

"(E) the selection criteria based on established measurements available to secondary students the applicant will use to award scholarships and to renew those awards;

"(F) how the applicant will inform the institution of higher education chosen by the recipient of the name and scholarship amount of the recipient;

"(G) what procedures and assurances the applicant and the institution of higher education that the recipient attends will use to verify student eligibility, attendance, degree progress, and academic performance and to deliver and account for payments to such institution;

"(H) the management (including audit and accounting) procedures the applicant will use for the program;

"(I) the human, financial, and other resources that the applicant will need and use to manage the program;

"(J) how the applicant will evaluate the program and report to the Secretary annually; and

"(K) a description of how the entity will coordinate with, complement, and build on similar public and private mathematics and science programs.

"(f) SCHOLARSHIP RECIPIENTS.—

"(1) A student receiving a scholarship under this section shall be known as a Byrd Mathematics and Science Honors Scholar.

"(2) Any student desiring to receive a scholarship under this section shall submit an application to the managing agent in such form, and containing such information, as the managing agent may require.

"(3) Any student that receives a scholarship under this section shall enter into an agreement with the managing agent to complete 5 consecutive years of service to begin no later than 12 months following completion of the final degree in a position related to the field in which the student obtained the degree.

"(4) If any student that receives a scholarship under this section fails to earn at least a baccalaureate degree in physical, life, or computer sciences, mathematics, or engineering as defined under this section, the student shall repay to the managing agent the amount of any financial assistance paid to such student.

"(5) If any student that receives a scholarship under this section fails to meet the requirements of paragraph (3), the student shall repay to the managing agent the amount of any financial assistance paid to such student.

"(6)(A) Scholarships shall be awarded for only one academic year of study at a time.

"(B)(i) A scholarship shall be renewable on an annual basis for the established length of the academic program if the student awarded the scholarship remains eligible.

"(ii) The managing agent may condition renewal of a scholarship on measures of academic progress and achievement, with the approval of the Secretary.

"(C)(i) If a student fails to either remain eligible or meet established measures of academic progress and achievement, the managing agent shall instruct the student's institution of higher education to suspend payment of the student's scholarship.

"(ii) A suspension of payment shall remain in effect until the student is able to demonstrate to the satisfaction of the managing agent that he or she is again eligible and meets the established measures of academic progress and achievement.

"(iii) A student's eligibility for a scholarship shall be terminated if a suspension period exceeds 12 months.

"(D)(i)(I) A student awarded a scholarship may, in a manner and under the terms established by, and with the approval of, the managing agent, postpone or interrupt his or her enrollment at an institution of higher education for up to 12 months.

"(II) Such a postponement or interruption shall not be considered a suspension for purposes of subparagraph (C).

"(ii) Neither a student nor the student's institution of higher education shall receive the student's scholarship payments during the period of postponement or interruption, but such payments shall resume upon enrollment or reenrollment.

"(iii) In exceptional circumstances, such as serious injury or illness or the necessity to care for family members, the student's postponement or interruption may, upon notification and approval of the managing agent, be extended beyond the 12 month period described in clause (i)(I).

"(g) RESPONSIBILITIES OF INSTITUTION OF HIGHER EDUCATION.—

"(1) The managing agent shall require any institution of higher education that enrolls a student who receives a scholarship under this section to annually provide an assurance, prior to making any payment, that the student—

"(A) is eligible in accordance with subsection (b)(2); and

"(B) has provided the institution with a written commitment to attend, or is attending, classes and is satisfactorily meeting the institution's academic criteria for enrollment in its program of study.

"(2)(A) The managing agent shall provide the institution of higher education with payments from the Fund for selected recipients in at least two installments.

"(B) If a recipient declines a scholarship, does not attend courses, transfers to another institution of higher education, or becomes ineligible for a scholarship, an institution of higher education shall return prorated amounts of any scholarship payment to that recipient to the managing agent, who shall deposit it in to the Fund.

"SEC. 419B. MATHEMATICS AND SCIENCE INCENTIVE PROGRAM.

"(a) PROGRAM.—

"(1) IN GENERAL.—The Secretary is authorized to carry out a program of assuming the obligation to pay, pursuant to the provisions of this section, the interest on a loan made, insured, or guaranteed under part B or D of this title.

"(2) ELIGIBILITY.—The Secretary may assume interest payments under paragraph (1) only for a borrower who—

"(A) has submitted an application in compliance with subsection (d);

"(B) obtained one or more loans described in paragraph (1) as an undergraduate student;

"(C) is a new borrower (within the meaning of section 103(7) of this Act) on or after the date of enactment of the College Opportunity and Affordability Act of 2007;

"(D) is a highly qualified teacher (as defined in section 9101 of the Elementary and Secondary Education Act of 1965) of science, technology, engineering or mathematics at an elementary or secondary school in a high need local educational agency, or is a mathematics, science, or engineering professional; and

"(E) enters into an agreement with the Secretary to complete 5 consecutive years of service in a position described in subparagraph (D), starting on the date of the agreement.

"(3) PRIOR INTEREST LIMITATIONS.—The Secretary shall not make any payments for interest that—

"(A) accrues prior to the beginning of the repayment period on a loan in the case of a loan made under section 428H or a Federal Direct Unsubsidized Stafford Loan; or

"(B) has accrued prior to the signing of an agreement under paragraph (2)(E).

"(4) INITIAL SELECTION.—In selecting participants for the program under this section, the Secretary—

"(A) shall choose among eligible applicants on the basis of—

"(i) the national security, homeland security, and economic security needs of the United States, as determined by the Secretary, in consultation with other Federal agencies, including the Departments of Labor, Defense, Homeland Security, Commerce, and Energy, the Central Intelligence Agency, and the National Science Foundation; and

"(ii) the academic record or job performance of the applicant; and

"(B) may choose among eligible applicants on the basis of—

"(i) the likelihood of the applicant to complete the 5-year service obligation;

"(ii) the likelihood of the applicant to remain in science, mathematics, or engineering after the completion of the service requirement; or

"(iii) other relevant criteria determined by the Secretary.

"(5) AVAILABILITY SUBJECT TO APPROPRIATIONS.—Loan interest payments under this section shall be subject to the availability of appropriations. If the amount appropriated for any fiscal year is not sufficient to provide interest payments on behalf of all qualified applicants, the Secretary shall give priority to those individuals on whose behalf interest payments were made during the preceding fiscal year.

"(6) REGULATIONS.—The Secretary is authorized to prescribe such regulations as may be necessary to carry out the provisions of this section.

"(b) DURATION AND AMOUNT OF INTEREST PAYMENTS.—The period during which the Secretary shall pay interest on behalf of a student borrower who is selected under subsection (a) is the period that begins on the effective date of the agreement under subsection (a)(2)(E), continues after successful completion of the service obligation, and ends on the earlier of—

"(1) the completion of the repayment period of the loan;

"(2) payment by the Secretary of a total of $5,000 on behalf of the borrower;

"(3) if the borrower ceases to fulfill the service obligation under such agreement prior to the end of the 5-year period, as soon as the borrower is determined to have ceased to fulfill such obligation in accordance with regulations of the Secretary; or

"(4) 6 months after the end of any calendar year in which the borrower's gross income equals or exceeds 4 times the national per capita disposable personal income (current dollars) for such calendar year, as determined on the basis of the National Income and Product Accounts Tables of the Bureau of Economic Analysis of the Department of Commerce, as determined in accordance with regulations prescribed by the Secretary.

"(c) REPAYMENT TO ELIGIBLE LENDERS.—Subject to the regulations prescribed by the Secretary by regulation under subsection (a)(6), the Secretary shall pay to each eligible lender or holder for each payment period the amount of the interest that accrues on a loan of a student borrower who is selected under subsection (a).

"(d) APPLICATION FOR REPAYMENT.—

"(1) IN GENERAL.—Each eligible individual desiring loan interest payment under this section shall submit a complete and accurate application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(2) FAILURE TO COMPLETE SERVICE AGREEMENT.—Such application shall contain an agreement by the individual that, if the individual fails to complete the 5 consecutive years of service required by subsection (a)(2)(E), the individual agrees to repay the Secretary the amount of any interest paid by the Secretary on behalf of the individual.

"(e) TREATMENT OF CONSOLIDATION LOANS.—A consolidation loan made under section 428C of this Act, or a Federal Direct Consolidation Loan made under part D of title IV of this Act, may be a qualified loan for the purpose of this section only to the extent that such loan amount was used by a borrower who otherwise meets the requirements of this section to repay—

"(1) a loan made under section 428 or 428H of this Act; or

"(2) a Federal Direct Stafford Loan, or a Federal Direct Unsubsidized Stafford Loan, made under part D of title IV of this Act.

"(f) PREVENTION OF DOUBLE BENEFITS.—No borrower may, for the same service, receive a benefit under both this section and—

"(1) any loan forgiveness program under title IV of this Act; or

"(2) subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12601 et seq.).

"(g) DEFINITIONS.—As used in this section—

"(1) the term 'high need local educational agency' has the same meaning given such term in section 200; and

"(2) the term 'mathematics, science, or engineering professional' means a person who—

"(A) holds a baccalaureate, masters, or doctoral degree (or a combination thereof) in science, mathematics, or engineering; and

"(B) works in a field the Secretary determines is closely related to that degree, which shall include working as a professor at a two- or four-year institution of higher education.

"SEC. 419C. FOREIGN LANGUAGE PARTNERSHIPS.

"(a) PURPOSE.—The purpose of this section is to increase the number of highly qualified teachers in, and 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) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants to institutions of higher education, in partnership with one or more local educational agencies, to establish teacher preparation programs in critical foreign languages, and activities that will enable successful students to advance from elementary school through college to achieve proficiency in those languages.

"(c) APPLICATIONS.—

"(1) APPLICATION REQUIRED.—Any institution of higher education that desires 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 may require.

"(2) CONTENTS.—Each Application shall—

"(A) identify each local educational agency partner and describe each such partner's responsibilities (including how they will be involved in planning and implementing the program, what resources they will provide, and how they will ensure continuity of student progress from elementary school to the postsecondary level); and

"(B) describe how the applicant will support and continue the program after the grant has expired, including how it will seek support from other sources, such as State and local government, foundations, and the private sector.

"(d) USES OF FUNDS.—Funds awarded under this section shall be used to develop and implement programs consistent with the purpose of this section by carrying out one or more of the following activities:

"(1) To recruit highly qualified teachers in critical foreign languages and professional development activities for such teachers at the elementary through high school level.

"(2) To provide innovative opportunities for students that will allow for critical language learning, such as immersion environments, intensive study opportunities, internships, and distance learning.

"(e) MATCHING REQUIREMENT.—Each grantee under this section shall provide, from non-Federal sources, an amount equal to 100 percent of the amount of the grant (in cash or in kind) to carry out the activities supported by the grant.

"(f) EVALUATION.—The Secretary shall evaluate the activities funded under this section and report the results of the evaluation to the appropriate Committees of Congress.

"SEC. 419D. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this subpart $50,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.".

SEC. 409. CHILD CARE ACCESS MEANS PARENTS IN SCHOOL.

(a) MINIMUM GRANT.—Section 419N(b)(2)(B) (20 U.S.C. 1070e(b)(2)(B)) is amended by striking "$10,000" and inserting "$30,000".

(b) ELIGIBLE INSTITUTIONS.—Section 419N(b)(4) is amended by striking "$350,000" and inserting "$250,000".

(c) INCOME ELIGIBILITY.—Section 419N(b)(7) is amended by striking "who is eligible to receive" and inserting "whose income qualifies for eligibility for".

(d) PUBLICITY.—Section 419N(b) is further amended by adding at the end the following new paragraph:

"(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.".

(e) AUTHORIZATION OF APPROPRIATIONS.—Section 419N(g) (20 U.S.C. 1070e(g)) is amended by striking "$45,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2009 and each of the 4 succeeding fiscal years.".

SEC. 410. LEARNING ANYTIME ANYWHERE PARTNERSHIPS.

Subpart 8 of part A of title IV (20 U.S.C. 1070f et seq.) is repealed.

SEC. 411. TEACH GRANTS.

Subpart 9 of part A of title IV is amended—

(1) in section 420L(1)(B), by striking "sound" and inserting "responsible";

(2) in section 420M—

(A) by striking "academic year" each place it appears in subsections (a)(1) and (c)(1) and inserting "year"; and

(B) in subsection (c)(2)—

(i) by striking "other student assistance" and inserting "other assistance the student may receive"; and

(ii) by striking the second sentence; and

(3) by adding at the end the following new section:

"SEC. 420P. PROGRAM EVALUATION.

"The Secretary shall evaluate the effectiveness of TEACH grants with respect to the schools and students served by recipients of such grants. Such evaluation shall take into consideration information related to—

"(1) the number of TEACH grant recipients;

"(2) the gender, race, ethnicity, and age of such recipients;

"(3) the degrees obtained by such recipients;

"(4) 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;

"(5) the duration of such service, including information related to whether recipients serve for more than the 4 years required under such section; and

"(6) any other data necessary to conduct such evaluation.".

PART B—FEDERAL FAMILY EDUCATION LOANS

SEC. 421. LIMITATIONS ON AMOUNTS OF LOANS COVERED BY FEDERAL INSURANCE.

Section 424(a) (20 U.S.C. 1074(a)) is amended—

(1) by striking "2012" and inserting "2013"; and

(2) by striking "2016" and inserting "2017".

SEC. 422. FEDERAL INTEREST SUBSIDIES.

Section 428(a)(5) (20 U.S.C. 1078(a)(5)) is amended—

(1) by striking "2012" and inserting "2013"; and

(2) by striking "2016" and inserting "2017".

SEC. 423. STUDENT LOAN INFORMATION.

Section 428(k) (20 U.S.C. 1078(k)) is amended by adding at the end the following new paragraph:

"(4) STUDENT LOAN INFORMATION.—

"(A) Notwithstanding any other provision of law or regulation, if requested by an institution of higher education or a third party servicer (as defined in section 481(c)) working on behalf of such institution to prevent student loan defaults for borrowers who currently attend or previously attended such institution, a lender, secondary market, holder, or guaranty agency shall provide, free of charge and in a timely and effective manner, any student loan information pertaining to loans made under this title to such borrowers maintained by that entity, provided that the information requested is for a borrower who currently attends or previously attended such institution.

"(B) An institution and any third party servicer obtaining access to information under subparagraph (A) shall safeguard that information in order to prevent potential abuses of that information, including identity theft.

"(C) Any third party servicer that obtains information under this paragraph—

"(i) shall only use the information in a manner directly related to the default prevention work the servicer is performing on behalf of the institution of higher education;

"(ii) shall not sell the information to other entities;

"(iii) shall not share the information with, or transfer the information to, entities other than the borrower or the institution of higher education referenced in subparagraph (A); and

"(iv) shall be subject to any regulations established by the Secretary pursuant to section 432 concerning the misuse of such information, including any penalties for such misuse.".

SEC. 424. CONSOLIDATION LOAN DISCLOSURE.

Section 428C(b)(1) (20 U.S.C. 1078–3(b)(1)) is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(2) by inserting after subparagraph (D) the following new subparagraph:

"(E) that the lender will disclose, in a clear and conspicuous manner, to borrowers who seek to consolidate loans made under part E of this title—

"(i) that once the borrower adds a Federal Perkins Loan to a Federal Consolidation Loan, the borrower will lose all interest-free periods that would have been available, such as those when no interest accrues on the Federal Perkins Loan while the borrower is enrolled in school at least half-time, during the grace period, and during periods when the borrower's student loan repayments are deferred;

"(ii) that the borrower will no longer be eligible for loan cancellation of Federal Perkins Loans under any provision of section 465; and

"(iii) in detail the occupations listed in section 465 for which the borrower will lose eligibility for Federal Perkins Loan cancellation;".

SEC. 425. LOAN FORGIVENESS FOR SERVICE IN AREAS OF NATIONAL NEED.

Section 428K (20 U.S.C. 1078–11) is amended to read as follows:

"SEC. 428K. LOAN FORGIVENESS FOR SERVICE IN AREAS OF NATIONAL NEED.

"(a) PROGRAM AUTHORIZED.—

"(1) LOAN FORGIVENESS AUTHORIZED.—The Secretary shall forgive, in accordance with this section, the student loan obligation of a borrower in the amount specified in subsection (c) who—

"(A) is employed full-time in an area of national need described in subsection (b); and

"(B) is not in default on a loan for which the borrower seeks forgiveness.

"(2) METHOD OF LOAN FORGIVENESS.—To provide loan forgiveness under paragraph (1), the Secretary is authorized to carry out a program—

"(A) through the holder of the loan, to assume the obligation to repay a qualified loan amount for a loan made, insured, or guaranteed under this part (other than an excepted PLUS loan (as such term is defined in section 493C(a))); and

"(B) to cancel a qualified loan amount for a loan made under part D of this title (other than such an excepted PLUS loan).

"(3) REGULATIONS.—The Secretary is authorized to issue such regulations as may be necessary to carry out the provisions of this section.

"(b) AREAS OF NATIONAL NEED.—For purposes of this section, an individual shall be treated as employed in an area of national need if the individual is employed full-time as any of the following:

"(1) EARLY CHILDHOOD EDUCATORS.—An individual who is employed as an early childhood educator in an eligible preschool program or eligible early childhood education program in a low-income community, and who is involved directly in the care, development, and education of infants, toddlers, or young children age 5 and under.

"(2) NURSES.—An individual who is employed—

"(A) as a nurse in a clinical setting; or

"(B) as a member of the nursing faculty at an accredited school of nursing (as those terms are defined in section 801 of the Public Health Service Act (42 U.S.C. 296)).

"(3) FOREIGN LANGUAGE SPECIALISTS.—An individual who has obtained a baccalaureate or advanced degree in a critical foreign language and is employed—

"(A) in an elementary or secondary school as a teacher of a critical foreign language;

"(B) in an agency of the United States Government in a position that regularly requires the use of such critical foreign language; or

"(C) in an institution of higher education as a faculty member or instructor teaching a critical foreign language.

"(4) LIBRARIANS.—An individual who is employed as a librarian in—

"(A) a public library that serves a geographic area within which the public schools have a combined average of 30 percent or more of their total student enrollments composed of children counted under section 1113(a)(5) of the Elementary and Secondary Education Act of 1965; or

"(B) a high-need school.

"(5) HIGHLY QUALIFIED TEACHERS: SERVING STUDENTS WHO ARE LIMITED ENGLISH PROFICIENT, LOW-INCOME COMMUNITIES, AND UNDERREPRESENTED POPULATIONS.—An individual who—

"(A) is highly qualified as such term is defined in section 9101 of the Elementary and Secondary Education Act of 1965; and

"(B)(i) is employed as a teacher educating students who are limited English proficient;

"(ii) is employed as a teacher in a high-need school; or

"(iii) is an individual from an underrepresented population in the teaching profession, as determined by the Secretary.

"(6) CHILD WELFARE WORKERS.—An individual who—

"(A) has obtained a degree in social work or a related field with a focus on serving children and families; and

"(B) is employed in public or private child welfare services.

"(7) SPEECH-LANGUAGE PATHOLOGISTS.—An individual who is a speech-language pathologist, who is employed in an eligible preschool program or an elementary or secondary school, and who has, at a minimum, a graduate degree in speech-language pathology, or communication sciences and disorders.

"(8) NATIONAL SERVICE.—An individual who is engaged as a participant in a project under the National and Community Service Act of 1990 (as such terms are defined in section 101 of such Act (42 U.S.C. 12511)).

"(9) SCHOOL COUNSELORS.—An individual who is employed as a school counselor (as such term is defined in section 5421(e)(3) of Elementary and Secondary Education Act of 1965 (20 U.S.C. 7245(e)(3))) in a high-need school.

"(10) PUBLIC SECTOR EMPLOYEES.—An individual who is employed in public safety (including as a first responder, firefighter, police officer, or other law enforcement or public safety officer), emergency management (including as an emergency medical technician), public health (including 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), or public interest legal services (including prosecution or public defense or legal advocacy in low-income communities at a nonprofit organization).

"(11) NUTRITION PROFESSIONALS.—An individual who—

"(A) is a licensed, certified, or registered dietician who has completed a degree in a relevant field; and

"(B) has obtained employment in an agency of the special supplemental nutrition program for women, infants, and children under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).

"(12) MEDICAL SPECIALISTS.—An individual who—

"(A) has received his or her degree from an accredited medical school (as accredited by the Liaison Committee on Medical Education or as defined by this title IV); and

"(B)(i) has been accepted to, or currently participates in, a graduate medical education training program or fellowship (or both) to provide health care services (as recognized by the Accreditation Council for Graduate Medical Education); or

"(ii) has been accepted to, or currently participates in, a graduate medical education program or fellowship (or both) to provide health care services that—

"(I) requires more than 5 years of total graduate medical training; and

"(II) has fewer United States medical school graduate applicants than the total number of training and fellowship positions available in the programs specified in subclause (I) of this clause.

"(13) MENTAL HEALTH PROFESSIONALS.—Individuals who have at least a master's degree in social work, psychology, or psychiatry and who are providing mental health services to children, adolescents, or veterans.

"(c) QUALIFIED LOAN AMOUNT.—At the end of each school, academic, or calendar year of full-time employment on or after the date of enactment of the College Opportunity and Affordability Act of 2007 in an area of national need described in subsection (b), not to exceed 5 years, the Secretary shall forgive not more than $2,000 of the student loan obligation of a borrower that is outstanding after the completion of each such school, academic, or calendar year of employment, as appropriate, not to exceed $10,000 in the aggregate for any borrower.

"(d) PRIORITY.—The Secretary shall grant loan forgiveness under this section on a first-come, first-served basis, and subject to the availability of appropriations.

"(e) CONSTRUCTION.—Nothing in this section shall be construed to authorize the refunding of any repayment of a loan.

"(f) SEGAL AMERICORPS EDUCATION AWARD AND NATIONAL SERVICE AWARD RECIPIENTS.—A student borrower who qualifies for the maximum education award under subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12601 et seq.) shall receive under this section the amount, if any, by which the maximum benefit available under this section exceeds the maximum education award available under such subtitle.

"(g) INELIGIBILITY FOR DOUBLE BENEFITS.—No borrower may receive a reduction of loan obligations under both this section and section 428J or 460.

"(h) DEFINITIONS.—In this section:

"(1) EARLY CHILDHOOD EDUCATOR.—The term 'early childhood educator' means an early childhood educator who works directly with children in an eligible preschool program or eligible early childhood education program who has completed a baccalaureate or advanced degree in early childhood development, early childhood education, or in a field related to early childhood education.

"(2) ELIGIBLE PRESCHOOL PROGRAM.—The term 'eligible preschool program' means a program that provides for the care, development, and education of infants, toddlers, or young children age 5 and under, meets any applicable State or local government licensing, certification, approval, and registration requirements, and is operated by—

"(A) a public or private school that is supported, sponsored, supervised, or administered by a local educational agency;

"(B) a Head Start agency serving as a grantee designated under the Head Start Act (42 U.S.C. 9831 et seq.);

"(C) a nonprofit or community based organization; or

"(D) a child care program, including a home.

"(3) ELIGIBLE EARLY CHILDHOOD EDUCATION PROGRAM.—The term 'eligible early childhood education program' means—

"(A) a family child care program, center-based child care program, State prekindergarten program, school program, or other out-of-home early childhood development care program, that—

"(i) is licensed or regulated by the State; and

"(ii) serves 2 or more unrelated children who are not old enough to attend kindergarten;

"(B) a Head Start Program carried out under the Head Start Act (42 U.S.C. 9831 et seq.); or

"(C) an Early Head Start Program carried out under section 645A of the Head Start Act (42 U.S.C. 9840a).

"(4) LOW-INCOME COMMUNITY.—The term 'low-income community' means a school attendance area (as defined in section 1113(a)(2)(A) of the Elementary and Secondary Education Act of 1965)—

"(A) in which 70 percent of households earn less than 85 percent of the State median household income; or

"(B) that includes a high-need school.

"(5) NURSE.—The term 'nurse' means a nurse who meets all of the following:

"(A) The nurse graduated from—

"(i) an accredited school of nursing (as those terms are defined in section 801 of the Public Health Service Act (42 U.S.C. 296));

"(ii) a nursing center; or

"(iii) an academic health center that provides nurse training.

"(B) The nurse holds a valid and unrestricted license to practice nursing in the State in which the nurse practices in a clinical setting.

"(C) The nurse holds one or more of the following:

"(i) A graduate degree in nursing, or an equivalent degree.

"(ii) A nursing degree from a collegiate school of nursing (as defined in section 801 of the Public Health Service Act (42 U.S.C. 296)).

"(iii) A nursing degree from an associate degree school of nursing (as defined in section 801 of the Public Health Service Act (42 U.S.C. 296)).

"(iv) A nursing degree from a diploma school of nursing (as defined in section 801 of the Public Health Service Act (42 U.S.C. 296)).

"(6) SPEECH-LANGUAGE PATHOLOGIST.—The term 'speech-language pathologist' means a speech-language pathologist who—

"(A) has received, at a minimum, a graduate degree in speech-language pathology or communication sciences and disorders from an institution of higher education accredited by an agency or association recognized by the Secretary pursuant to section 496(a) of this Act; and

"(B) provides speech-language pathology services under section 1861(ll)(1) of the Social Security Act (42 U.S.C. 1395x(ll)(1)), or meets or exceeds the qualifications for a qualified speech-language pathologist under subsection (ll)(3) of such section (42 U.S.C. 1395x(ll)(3)).

"(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 4 succeeding fiscal years to provide loan forgiveness in accordance with this section.".

SEC. 426. LOAN REPAYMENT FOR CIVIL LEGAL ASSISTANCE ATTORNEYS.

Part B of title IV (20 U.S.C. 1071 et seq.) is amended by inserting after section 428K the following new section:

"SEC. 428L. LOAN REPAYMENT FOR CIVIL LEGAL ASSISTANCE ATTORNEYS.

"(a) PURPOSE.—The purpose of this section is to encourage qualified individuals to enter and continue employment as civil legal assistance attorneys.

"(b) DEFINITIONS.—In this section:

"(1) CIVIL LEGAL ASSISTANCE ATTORNEY.—The term 'civil legal assistance attorney' means an attorney who—

"(A) is a full-time employee of a nonprofit organization that provides legal assistance with respect to civil matters to low-income individuals without a fee;

"(B) as such employee, provides civil legal assistance as described in subparagraph (A) on a full-time basis; and

"(C) is continually licensed to practice law.

"(2) STUDENT LOAN.—The term 'student loan' means—

"(A) subject to subparagraph (B), a loan made, insured, or guaranteed under part B, D, or E of this title; and

"(B) a loan made under section 428C or 455(g), to the extent that such loan was used to repay—

"(i) a Federal Direct Stafford Loan, a Federal Direct Unsubsidized Stafford Loan, or a Federal Direct PLUS Loan;

"(ii) a loan made under section 428, 428B, or 428H; or

"(iii) a loan made under part E.

"(c) PROGRAM AUTHORIZED.—The Secretary shall carry out a program of assuming the obligation to repay a student loan, by direct payments on behalf of a borrower to the holder or the Secretary in the case of a loan under part D or E of such loan, in accordance with subsection (d), for any borrower who—

"(1) is employed as a civil legal assistance attorney; and

"(2) is not in default on a loan for which the borrower seeks repayment.

"(d) TERMS OF AGREEMENT.—

"(1) IN GENERAL.—To be eligible to receive repayment benefits under subsection (c), a borrower shall enter into a written agreement with the Secretary that specifies that—

"(A) the borrower will remain employed as a civil legal assistance attorney for a required period of service of not less than 3 years, unless involuntarily separated from that employment;

"(B) if the borrower is involuntarily separated from employment on account of misconduct, or voluntarily separates from employment, before the end of the period specified in the agreement, the borrower will repay the Secretary the amount of any benefits received by such employee under this agreement;

"(C) if the borrower is required to repay an amount to the Secretary under subparagraph (B) and fails to repay such amount, a sum equal to that amount shall be recoverable by the Federal Government from the employee by such methods as are provided by law for the recovery of amounts owed to the Federal Government;

"(D) the Secretary may waive, in whole or in part, a right of recovery under this subsection if it is shown that recovery would be against equity and good conscience or against the public interest; and

"(E) the Secretary shall make student loan payments under this section for the period of the agreement, subject to the availability of appropriations.

"(2) REPAYMENTS.—

"(A) IN GENERAL.—Any amount repaid by, or recovered from, an individual under this subsection shall be credited to the appropriation account from which the amount involved was originally paid.

"(B) MERGER.—Any amount credited under subparagraph (A) shall be merged with other sums in such account and shall be available for the same purposes and period, and subject to the same limitations, if any, as the sums with which the amount was merged.

"(3) LIMITATIONS.—

"(A) STUDENT LOAN PAYMENT AMOUNT.—Student loan repayments made by the Secretary under this section shall be made subject to such terms, limitations, or conditions as may be mutually agreed upon by the borrower and the Secretary in an agreement under paragraph (1), except that the amount paid by the Secretary under this section shall not exceed—

"(i) $6,000 for any borrower in any calendar year; or

"(ii) an aggregate total of $40,000 in the case of any borrower.

"(B) BEGINNING OF PAYMENTS.—Nothing in this section shall authorize the Secretary to pay any amount to reimburse a borrower for any repayments made by such borrower prior to the date on which the Secretary entered into an agreement with the borrower under this subsection.

"(e) ADDITIONAL AGREEMENTS.—

"(1) IN GENERAL.—On completion of the required period of service under an agreement under subsection (d), the borrower and the Secretary may, subject to paragraph (2), enter into an additional agreement in accordance with subsection (d).

"(2) TERM.—An agreement entered into under paragraph (1) may specify that, notwithstanding subsection (d)(1)(A), the required period of service during which the borrower will remain employed as a civil legal assistance attorney may be less than 3 years.

"(f) AWARD BASIS; PRIORITY.—

"(1) AWARD BASIS.—Subject to paragraph (2), the Secretary shall provide repayment benefits under this section on a first-come, first-served basis, and subject to the availability of appropriations.

"(2) PRIORITY.—The Secretary shall give priority in providing repayment benefits under this section in any fiscal year to a borrower who—

"(A) has practiced law for 5 years or less and, for at least 90 percent of the time in such practice, has served as a civil legal assistance attorney;

"(B) received repayment benefits under this section during the preceding fiscal year; and

"(C) has completed less than 3 years of the first required period of service specified for the borrower in an agreement entered into under subsection (d).

"(g) REGULATIONS.—The Secretary is authorized to issue such regulations as may be necessary to carry out the provisions of this section.

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $10,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.".

SEC. 427. SETTLEMENT OF CLAIMS.

Section 432(b) (20 U.S.C. 1082(b)) is amended by adding at the end the following: "The Secretary may not enter into any settlement of any claim under this Act that exceeds $1,000,000 unless the Secretary has asked the Attorney General to review the settlement agreement and issue an opinion to the Secretary and the authorizing committees related to such proposed settlement.".

SEC. 428. DELINQUENCY PREVENTION, DEFAULT AVERSION, AND CONSUMER EDUCATION INFORMATION PROGRAMS.

Part B of title IV is further amended by inserting after section 433 (20 U.S.C. 1083) the following new section:

"SEC. 433A. DELINQUENCY PREVENTION, DEFAULT AVERSION, AND CONSUMER EDUCATION INFORMATION PROGRAMS.

"(a) GUARANTY AGENCY DUTY.—Each guaranty agency, with respect to loans insured by the agency, shall develop specific programs designed to prevent delinquencies and avert defaults.

"(b) TRAINING FOR STUDENTS AND FAMILIES.—Each guaranty agency, after consulting with institutions of higher education (including institutions of higher education participating in the William Ford Direct Loan Program), shall develop and make available high quality educational programs and materials to provide training for students and families in budgeting and financial management, including debt

management and other aspects of financial literacy, such as the cost of using high interest loans to pay for postsecondary education. Such programs and materials shall address budgeting and financial management relating to student loans, and shall be made available to students and families, in a form and language that is understandable, before, during, and after the students' enrollment.

"(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit a guaranty agency from using existing activities, programs, and materials in meeting the requirements of this section.".

SEC. 429. DEFINITION OF ELIGIBLE LENDER.

Section 435(d)(1)(A)(ii) (20 U.S.C. 1085(d)(1)(A)(ii)) is amended—

(1) by striking "part, or (III)" and inserting "part, (III)"; and

(2) by inserting before the semicolon at the end the following: ", or (IV) it is a National or State chartered bank with assets of less than $1,000,000,000".

SEC. 430. COHORT DEFAULT RATES.

Section 435(m) (20 U.S.C. 1085(m)) is amended—

(1) in the first sentence of paragraph (1)(A), by striking "end of the following fiscal year" and inserting "beginning of the third fiscal year following the fiscal year in which the students entered repayment";

(2) in paragraph (1)(C), by striking "end of the fiscal year immediately following the year in which they entered repayment" and inserting "beginning of the third fiscal year following the year in which they entered repayment";

(3) in paragraph (2)(C), by striking "end of such following fiscal year is not considered as in default for the purposes of this subsection" and inserting "beginning of the third fiscal year following the year in which the loan entered repayment is not considered as in default for purposes of this subsection"; and

(4) in paragraph (4)—

(A) by amending the header to read as follows: "COLLECTION AND REPORTING OF COHORT DEFAULT RATES AND LIFE OF COHORT DEFAULT RATES.—"; and

(B) by amending subparagraph (A) to read as follows:

"(A) The Secretary shall collect data from all insurers under this part and shall publish not less often than once every fiscal year a report showing cohort default data and life of cohort default data for each category of institution, including (i) 4-year public institutions, (ii) 4-year private nonprofit institutions, (iii) 2-year public institutions, (iv) 2-year private institutions, (v) 4-year proprietary institutions, (vi) 2-year proprietary institutions, and (vii) less than 2-year proprietary institutions. For purposes of this subparagraph, the life of cohort default rate means, for any fiscal year in which 1 or more current and former students at an 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 the institution in that fiscal year who default before the end of each succeeding fiscal year.".

SEC. 431. DISABILITY DETERMINATIONS.

Section 437(a) (20 U.S.C. 1087(a)) is amended by adding at the end the following new sentence: "A borrower who receives a permanent total disability rating from the Secretary of Veterans Affairs, and who provides documentation of such rating 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.".

PART C—COLLEGE WORK/STUDY

SEC. 441. REAUTHORIZATION.

(a) EXTENSION OF AUTHORITY.—Section 441 (42 U.S.C. 2751) is amended—

(1) in subsection (b), by striking "$1,000,000,000 for fiscal year 1999" and inserting "$1,500,000,000 for fiscal year 2009"; and

(2) in subsection (c)—

(A) by striking "and" at the end of paragraph (3);

(B) by striking the period at the end of paragraph (4) and inserting "; and"; and

(C) by adding at the end the following new paragraph:

"(5) responding to the needs of the community, which may include activities in preparation for and during emergencies and natural disasters.".

(b) ALLOWANCE FOR BOOKS AND SUPPLIES.—Section 442(c)(4)(D) (42 U.S.C. 2752(d)(4)(D)) is amended by striking "$450" and inserting "$600".

SEC. 442. ADDITIONAL FUNDS FOR OFF-CAMPUS COMMUNITY SERVICE.

Section 447 (42 U.S.C. 2756a) is amended—

(1) by striking "Each institution participating" and inserting "(a) COMMUNITY SERVICE-LEARNING.—Each institution participating"; and

(2) by adding at the end the following new subsection:

"(b) OFF-CAMPUS COMMUNITY SERVICE.—

"(1) GRANTS AUTHORIZED.—In addition to funds made available under section 443(b)(2)(B), the Secretary is authorized to award grants to institutions participating under this part to supplement off-campus community service employment.

"(2) USE OF FUNDS.—In any year in which section 443(b)(2)(B) applies, an institution shall ensure that funds granted to such institution under this subsection are used in accordance with such section 443 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 and during 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 4 succeeding fiscal years.".

SEC. 443. WORK COLLEGES.

(a) WORK-LEARNING-SERVICE.—Section 448 (42 U.S.C. 2756b) is amended by striking "work-learning" each place it appears and inserting "work-learning-service".

(b) DEFINITION.—Section 448(e) is amended to read as follows:

"(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 2 years;

"(C) requires all resident students, including at least one-half of all students who are enrolled on a full-time basis, to participate in a comprehensive work-learning-service program for at least 5 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 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 an integral and stated part of the institution's educational philosophy and program;

"(B) requires participation of all resident students for enrollment and graduation;

"(C) includes learning objectives, evaluation, and a record of work performance as part of the student's college record;

"(D) provides programmatic leadership by college personnel at levels comparable to traditional academic programs;

"(E) recognizes the educational role of work-learning-service supervisors; and

"(F) includes consequences for nonperformance or failure in the work-learning-service program similar to the consequences for failure in the regular academic program.".

(c) AUTHORIZATION.—Section 448(f) is amended—

(1) by striking "$5,000,000" and inserting "such sums as may be necessary"; and

(2) by striking "1999" and inserting "2009".

PART D—FEDERAL DIRECT STUDENT LOANS

SEC. 451. REAUTHORIZATION.

Section 458(a) (20 U.S.C. 1087h(a)) is amended—

(1) in paragraph (2)—

(A) in the heading of such paragraph, by striking "2011" and inserting "2013"; and

(B) by striking "2011" and inserting "2013"; and

(2) in paragraph (3), by striking "2011" and inserting "2013".

SEC. 452. PUBLIC SERVICE JOB DEFINITION.

Section 455(m)(3)(B) (20 U.S.C. 1087e(m)(3)(B)) is amended to read as follows:

"(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 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.".

SEC. 453. IDENTITY FRAUD PROTECTION.

Section 455 (20 U.S.C. 1087e) is further amended by adding at the end the following new subsection:

"(n) IDENTITY FRAUD PROTECTION.—The Secretary of Education shall take such steps as may be necessary to ensure that monthly Direct Loan statements and other publications of the Department of Education do not contain more than 4 digits of the Social Security number of any individual.".

SEC. 454. DIRECT LOAN PROGRAM AUDIT AND REPORTING REQUIREMENTS.

(a) AUDIT OF DIRECT LOAN SERVICING PORTFOLIO AND DIRECT LOAN SERVICING CONTRACTS.—Section 458 (20 U.S.C. 1087h) is amended by adding at the end the following:

"(d) AUDIT OF DIRECT LOAN SERVICING PORTFOLIO AND DIRECT LOAN SERVICING CONTRACTS.—The Secretary shall have a financial and compliance audit of all loans owned by the Department of Education and made under the William D. Ford Federal Direct Loan Program and all contracts for the origination, servicing, collection, and related activities of such loans, conducted annually by a qualified independent organization from a list of qualified organizations promulgated by the Secretary in accordance with standards established by the Comptroller General. The standards shall measure the servicer's compliance with the due diligence standards and shall include a defined statistical sampling technique designed to measure the performance rating of the servicer for the purpose of this section. The Secretary shall submit the audit to Congress within 60 days of its completion and shall at the same time make the results of the audit publicly available.".

(b) QUARTERLY REPORTING OF ADMINISTRATIVE EXPENSES.—Section 458 (20 U.S.C. 1087h) is further amended by adding at the end the following:

"(e) BUDGET JUSTIFICATION AND QUARTERLY REPORTS.—In addition to the requirements of subsection (c), and as a prerequisite to expending funds under this section, the Secretary shall—

"(1) make publicly available immediately upon providing to Congress, its annual budget justification referenced in the last sentence of subsection (c), including the detailed descriptions of activities and the costs for each such activity; and

"(2) make publicly available within 30 days of the close of each calendar quarter, an interim report with at least the same level of detail as the annual report referred to above, showing the detailed descriptions of activities and the costs for each such activity, for the quarter, which shall include—

"(A) amendments to any contracts entered into by the Department for the purposes of servicing, origination, consolidating, or otherwise providing administrative support for the Direct Loan program;

"(B) a complete listing of all milestones for upgrades and improvements in any of the contracts referenced in section 458(d)(1) and the progress towards meeting such milestones;

"(C) un-reconciled balances in held loans by year of origination;

"(D) status and number of defaulted loans by length of default in 30-day increments;

"(E) status and number of delinquent loans by length of delinquency in 30-day increments;

"(F) information technology purchases made under this section; and

"(G) costs and terms of all contracts with external consultants and employees of institutions of higher education.".

(c) ANNUAL REPORTING OF IMPACT OF DIRECT LOAN PROGRAM TREASURY BORROWING ON NATIONAL DEBT.—Section 458 (20 U.S.C. 1087(h)) is further amended by adding at the end the following subsection:

"(f) NATIONAL DEBT REPORT CARD.—The Secretary shall make an annual report to Congress, included with the budget justification for the Department, of the aggregate dollar amount of increase in the national debt as a result of loans made under part D of this title. This reporting shall be made by calculating the net of the total outstanding amount lent by the Department and the United States Treasury, less the balance in principal of performing and non-defaulted loans outstanding in the Department's portfolio.".

PART E—PERKINS LOANS

SEC. 461. EXTENSION OF AUTHORITY.

Section 461(b) (20 U.S.C. 1087aa(b)) is amended—

(1) in paragraph (1), by striking "$250,000,000 for fiscal year 1999" and inserting "$350,000,000 for fiscal year 2009"; and

(2) in paragraph (2), by striking "2003" each place it appears and inserting "2014".

SEC. 462. ALLOWANCE FOR BOOKS AND SUPPLIES.

Section 462(c)(4)(D) (20 U.S.C. 1087bb(c)(4)(D)) is amended by striking "$450" and inserting "$600".

SEC. 463. AGREEMENTS WITH INSTITUTIONS.

(a) TRANSFERS FOR COLLECTION.—Section 463(a)(4)(B) (20 U.S.C. 1087cc(a)(4)(B)) is amended to read as follows:

"(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 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 no later than 180 days after collection by the Secretary and treated as an additional capital contribution under section 462;".

(b) REVISE AUTHORITY TO PRESCRIBE ADDITIONAL FISCAL CONTROLS.—Section 463(a)(9) (20 U.S.C. 1087cc(a)(9)) is amended by inserting ", 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)" before the period.

SEC. 464. PERKINS LOAN TERMS AND CONDITIONS.

(a) LOAN LIMITS.—Section 464(a) (20 U.S.C. 1087dd(a)) is amended—

(1) in paragraph (2)(A)—

(A) by striking "$4,000" in clause (i) and inserting "$5,500"; and

(B) by striking "$6,000" in clause (ii) and inserting "$8,000"; and

(2) in paragraph (2)(B)—

(A) by striking "$40,000" in clause (i) and inserting "$60,000";

(B) by striking "$20,000" in clause (ii) and inserting "$27,500"; and

(C) by striking "$8,000" in clause (iii) and inserting "$11,000".

(b) FORBEARANCE.—Section 464 (20 U.S.C. 1087dd) is further amended—

(1) in subsection (e)—

(A) in the matter preceding paragraph (1), by striking ", upon written request," and inserting ", as documented in accordance with paragraph (2),";

(B) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C), respectively;

(C) by inserting "(1)" after "FORBEARANCE.—"; and

(D) by adding at the end the following:

"(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.";

(2) in subsection (h)(1)(A), by striking "12 ontime" and inserting "9 on-time"; and

(3) in subsection (j)(2), by striking "(e)(3)" and inserting "(e)(1)(C)".

SEC. 465. CANCELLATION FOR PUBLIC SERVICE.

Section 465(a) (20 U.S.C. 1087ee(a)) is amended—

(1) in paragraph (2)—

(A) by amending subparagraph (A) to read as follows:

"(A) as a full-time teacher for service in an academic year in a high-need school;";

(B) in subparagraph (B), by striking "Head Start Act which" and inserting "Head Start Act, or in a prekindergarten or child care program that is licensed or regulated by the State, that";

(C) in subparagraph (H), by striking "or" after the semicolon;

(D) in subparagraph (I), by striking the period and inserting a semicolon; and

(E) by inserting before the matter following subparagraph (I) the following:

"(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 title I of the Elementary and Secondary Education Act of 1965; or

"(ii) a public library that serves a geographic area that contains 1 or more schools eligible for assistance under title I of the Elementary and Secondary Education Act of 1965; or

"(M) as a full-time speech language therapist, if the therapist has a master's degree and is working exclusively with schools that are eligible for assistance under title I of the Elementary and Secondary Education Act of 1965."; and

(2) in paragraph (3)(A)—

(A) in clause (i)—

(i) by inserting "(D)," after "(C),"; and

(ii) by striking "or (I)" and inserting "(I), (J), (K), (L), or (M)";

(B) in clause (ii), by inserting "or" after the semicolon;

(C) by striking clause (iii); and

(D) by redesignating clause (iv) as clause (iii).

PART F—NEED ANALYSIS

SEC. 471. COST OF ATTENDANCE.

(a) AMENDMENTS.—Section 472(3) (20 U.S.C. 1087kk(3)) is amended—

(1) in subparagraph (B), by striking "and" after the semicolon;

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B), as amended by paragraph (1), the following:

"(C) for students who live in housing located on a military base or for which a basic allowance is provided under section 403(b) of title 37, United States Code, shall be an allowance based on the expenses reasonably incurred by such students for board but not for room; and".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on July 1, 2009.

SEC. 472. DISCRETION TO MAKE ADJUSTMENTS FOR NURSING HOME EXPENSES.

Section 479A(a) (20 U.S.C. 1087tt) is amended by striking "medical or dental expenses" and inserting "medical, dental, or nursing home expenses".

SEC. 473. DEFINITIONS.

(a) TOTAL INCOME.—Section 480(a) (20 U.S.C. 1087vv(a)) is amended by adding at the end the following new paragraph:

"(3) Notwithstanding paragraph (1), with respect to dislocated workers (as defined in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801)), the term 'total income' is equal to estimated adjusted gross income plus estimated untaxed income and benefits for the current tax year minus estimated excludable income (as defined in subsection (e)) in for the current tax year.".

(b) UNTAXED INCOME AND BENEFITS.—Section 480(b)(6) (20 U.S.C. 1087vv(b)(6)) is amended by inserting ", 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" before the semicolon.

(c) TREATMENT OF VETERANS' EDUCATION BENEFITS IN ESTIMATED FINANCIAL ASSISTANCE CALCULATION.—Section 480(j) (20 U.S.C. 1087vv(j)) is amended by adding at the end the following new paragraph:

"(4) Notwithstanding paragraph (1), for the first year a student receives veterans' education benefits under chapter 30 of title 38, United States Code, the amount of such veterans' education benefits that is treated as estimated financial assistance not received under this title for the purposes of section 471(3) shall be calculated by subtracting the amount that the student's basic pay was reduced under section 3011(b) or 3012(c) of such title in order to be eligible to receive such benefits from the amount of such veterans' education benefits.".

(d) EFFECTIVE DATE.—The amendments made by this section are effective on July 1, 2009.

PART G—GENERAL PROVISIONS

SEC. 481. COMPLIANCE CALENDAR.

Section 482 (20 U.S.C. 1089) is amended by adding at the end the following:

"(e) COMPLIANCE CALENDAR.—Prior to the beginning of each award year, the Secretary shall provide to institutions of higher education a list of all the reports and disclosures required under this Act. The list shall include—

"(1) the date each report or disclosure is required to be completed and to be submitted, made available, or disseminated;

"(2) the required recipients of each report or disclosure;

"(3) any required method for transmittal or dissemination of each report or disclosure;

"(4) a description of the content of each report or disclosure sufficient to allow the institution to identify the appropriate individuals to be assigned the responsibility for such report or disclosure;

"(5) references to the statutory authority, applicable regulations, and current guidance issued by the Secretary regarding each report or disclosure; and

"(6) any other information which is pertinent to the content or distribution of the report or disclosure.".

SEC. 482. IMPROVEMENTS TO PAPER AND ELECTRONIC FORMS AND PROCESSES.

(a) COMMON FINANCIAL AID FORM DEVELOPMENT AND PROCESSING.—Section 483 (20 U.S.C. 1090) is amended—

(1) in subsection (a)—

(A) by striking paragraphs (1), (2), and (5);

(B) by redesignating paragraphs (3), (4), (6), and (7), as paragraphs (9), (10), (11), and (12), respectively;

(C) by inserting before paragraph (9), as redesignated by subparagraph (B), the following:

"(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). These 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 parents to read and understand, and shall ensure that the FAFSA is available in formats accessible to individuals with disabilities.

"(2) EARLY ESTIMATES.—The Secretary shall—

"(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; and

"(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.

"(3) PAPER FORMAT.—

"(A) IN GENERAL.—The Secretary shall produce, distribute, and process common forms in paper format to meet the requirements of paragraph (1). The Secretary shall develop a common paper form for applicants who do not meet the requirements of subparagraph (B).

"(B) EZ FAFSA.—

"(i) IN GENERAL.—The Secretary shall develop and use a simplified paper application form, to be known as the EZ FAFSA, to be used for applicants meeting the requirements of subsections (b) and (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 required to make a determination of whether the applicant meets the requirements under subsections (b) and (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 (6), except that the Secretary shall not include a State's data if that State does not permit its applicants to use the EZ FAFSA for State assistance.

"(iv) FREE AVAILABILITY AND PROCESSING.—The provisions of paragraph (7) 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 (9).

"(v) TESTING.—The Secretary shall conduct appropriate field testing on the EZ FAFSA.

"(C) PROMOTING THE USE OF ELECTRONIC FAFSA.—

"(i) IN GENERAL.—The Secretary shall make all efforts to encourage all applicants to utilize the electronic forms described in paragraph (4).

"(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) in a printable electronic file that is easily portable. The printable electronic file will be made easily accessible and downloadable to students on the same website used to provide students with the electronic application forms described in paragraph (4) of this subsection. The Secretary shall enable students to submit a form created under this subparagraph that may be downloaded and printed from an electronic file format in order to meet the filing requirements of this section and in order to receive aid from programs under this title.

"(iii) REPORTING REQUIREMENT.—The Secretary shall report annually to Congress on the impact of the digital divide on students completing applications for title IV aid described under this paragraph and paragraph (4). The Secretary will also report on the steps taken to eliminate the digital divide and reduce production of the paper form described in subparagraph (A) of this paragraph. The Secretary's report will specifically address the impact of the digital divide on the following student populations: independent students, traditionally underrepresented students, and dependent students.

"(4) ELECTRONIC FORMAT.—

"(A) IN GENERAL.—The Secretary shall produce, distribute, and process common forms in electronic format to meet the requirements of paragraph (1). The Secretary shall develop common electronic forms for applicants who do not meet the requirements of subparagraph (C) of this paragraph.

"(B) STATE DATA.—The Secretary shall include on the common electronic forms space for information that needs to be entered for the applicant to

be eligible for State financial assistance, as provided under paragraph (6), except the Secretary shall not require applicants to enter data required by any State other than the applicant's State of residence.

"(C) SIMPLIFIED APPLICATIONS: FAFSA ON THE WEB.—

"(i) IN GENERAL.—The Secretary shall develop and use a simplified electronic application form to be used by applicants meeting the requirements under subsections (b) and (c) of section 479.

"(ii) REDUCED DATA REQUIREMENTS.—The simplified electronic application 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) STATE DATA.—The Secretary shall include on the simplified electronic application forms such data items as may be necessary to award State financial assistance, as provided under paragraph (6), except that the Secretary shall not require applicants to enter data required by any State other than the applicant's State of residence.

"(iv) AVAILABILITY AND PROCESSING.—The data collected by means of the simplified electronic application forms shall be available to institutions of higher education, guaranty agencies, and States in accordance with paragraph (9).

"(v) TESTING.—The Secretary shall conduct appropriate field testing on the forms developed under this subparagraph.

"(D) 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.

"(E) PRIVACY.—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 awarded under section 415C, 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.

"(F) SIGNATURE.—Notwithstanding any other provision of this Act, the Secretary may permit an electronic 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) of this paragraph.

"(G) PERSONAL IDENTIFICATION NUMBERS AUTHORIZED.—The Secretary may assign to applicants personal identification numbers—

"(i) to enable the applicants to use such numbers in lieu of a signature for purposes of completing a form under this paragraph;

"(ii) to enable the applicants to use such numbers in lieu of a signature for purposes of completing forms required by States under section 415C; and

"(iii) for any purpose determined by the Secretary to enable the Secretary to carry out this title.

"(H) PERSONAL IDENTIFICATION NUMBER IMPROVEMENT.—The Secretary shall implement a real-time data match between the Social Security Administration and the Department 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.

"(5) STREAMLINING.—

"(A) STREAMLINED REAPPLICATION PROCESS.—

"(i) IN GENERAL.—The Secretary shall develop streamlined reapplication forms and processes, including both paper and electronic reapplication processes, consistent with the requirements of this subsection, for an applicant who applies for financial assistance under this title in the

next succeeding academic year subsequent to the year in which such applicant first applied for financial assistance under this title.

"(ii) MECHANISMS FOR REAPPLICATION.—The Secretary shall develop appropriate mechanisms to support reapplication.

"(iii) IDENTIFICATION OF UPDATED DATA.—The Secretary shall determine, in cooperation with States, institutions of higher education, agencies, and organizations involved in student financial assistance, the data elements that can be updated from the previous academic year's application.

"(iv) 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.

"(v) 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 that which is necessary to determine eligibility under such section.

"(B) REDUCTION OF DATA ELEMENTS.—

"(i) REDUCTION ENCOURAGED.—Of the number of data elements on the FAFSA on the date of enactment of the College Opportunity and Affordability Act of 2007 (including questions on the FAFSA for the purposes described in paragraph (6)), the Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance, 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. Reductions of data elements under paragraph (3)(B), (4)(C), or (5)(A)(iv) shall not be counted towards such reduction unless those data elements are reduced for all applicants.

"(ii) REPORT.—The Secretary shall submit a report on the process of this reduction to each the authorizing committees within 2 years after such date of enactment.

"(6) STATE REQUIREMENTS.—

"(A) IN GENERAL.—The Secretary shall include on the forms developed under this subsection, such State-specific nonfinancial data items as the Secretary determines are necessary to meet State requirements for need-based State aid under section 415C, except as provided in paragraphs (3)(B)(iii) and (4)(C)(iii) of this subsection. Such items shall be selected in consultation with State agencies that submit applications under section 415C in order to assist in the awarding of State financial assistance in accordance with the terms of this subsection, except as provided in paragraphs (3)(B)(iii) and (4)(C)(iii) of this subsection. The number of such data items shall not be less than the number included on the form for the 2008–2009 academic 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 process to determine which forms and nonfinancial data items the States require to award need-based State aid and other application requirements that the States may impose.

"(C) STATE USE OF SIMPLIFIED FORMS.—The Secretary shall encourage States to take such steps as necessary to encourage the use of simplified application forms, including those described in paragraphs (3)(B) and (4)(C), to meet the requirements under subsection (b) or (c) of section 479.

"(D) FEDERAL REGISTER NOTICE.—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 application forms described in paragraphs (3)(B) and (4)(C); and

"(ii) of the State-specific nonfinancial data that the State agency requires for delivery of State need-based financial aid.

"(E) STATE NOTIFICATION TO THE SECRETARY.—

"(i) IN GENERAL.—Each State agency that submits an application under section 415C shall notify the Secretary—

"(I) whether the State permits an applicant to file a form described in paragraph (3)(B) or (4)(A) of this subsection for purposes of determining eligibility for State need-based grant aid; and

"(II) the State-specific nonfinancial data that the State agency requires for delivery of State need-based financial aid.

"(ii) ACCEPTANCE OF FORMS.—In the event that a State does not permit an applicant to file a form described in paragraph (3)(B) or (4)(A) of this subsection for purposes of determining eligibility for State need-based grant aid—

"(I) the State shall notify the Secretary if the State is not permitted to do so because of either State law or because of agency policy; and

"(II) the notification under subclause (I) shall include an estimate of the program cost to permit applicants to complete simplified application forms under paragraphs (3)(B) and (4)(A) of this subsection.

"(iii) LACK OF NOTIFICATION BY THE STATE.—If a State does not notify the Secretary pursuant to clause (i), the Secretary shall—

"(I) permit residents of that State to complete simplified application forms under paragraphs (3)(B) and (4)(A) of this subsection; and

"(II) not require any resident of that State to complete any non-financial data previously required by that State under this section.

"(7) CHARGES TO STUDENTS AND PARENTS FOR USE OF FORMS PROHIBITED.—

"(A) FEES PROHIBITED.—The FAFSA, in whatever form (including the EZ FAFSA, paper, electronic, simplified, or reapplication), shall be produced, distributed, and processed by the Secretary and no parent or student shall be charged a fee for the collection, processing, or delivery of financial aid through the use of the FAFSA. The need and eligibility of a student for financial assistance under parts A through E of this title (other than under subpart 4 of part A) may only be determined by using the FAFSA developed by the Secretary pursuant to this subsection. No student may receive assistance under parts A through E of this title (other than under subpart 4 of part A), except by use of the FAFSA developed by the Secretary pursuant to this subsection. No data collected on a form for which a fee is charged shall be used to complete the FAFSA.

"(B) NOTICE.—Any entity that provides to students and parents, or charges students or parents for, any value-added services with respect to or in connection with the FAFSA, such as completion of the FAFSA, submission of the FAFSA, or tracking of the FAFSA for a student, shall provide to students and parents clear and conspicuous notice that—

"(i) the FAFSA is a free Federal student aid application;

"(ii) the FAFSA can be completed without professional assistance; and

"(iii) includes the current Internet address for the FAFSA on the Department's web site.

"(8) APPLICATION PROCESSING CYCLE.—The Secretary shall enable students to submit a form created under this subsection in order to meet the filing requirements of this section and in order to receive aid from programs under this title and shall initiate the processing of applications under this subsection as early as practicable prior to October 15 of the year prior to the student's planned year of enrollment.";

(2) by adding at the end of subsection (a) the following paragraph:

"(13) EARLY APPLICATION AND AWARD DEMONSTRATION PROGRAM.—

"(A) PROGRAM REQUIRED.—The Secretary shall, no later than two years after the date of the enactment of the College Opportunity and Affordability Act of 2007, implement an early application demonstration program enabling dependent students to—

"(i) complete applications under this subsection in such students' junior year of secondary school, or in the academic year that is 2 years prior to such students' intended year of enrollment at an institution of higher education;

"(ii) receive an estimate of such students' financial aid awards;

"(iii) update, in the year prior to such students' planned year of enrollment, the information contained in an application submitted under clause (i), using the process described in paragraph (5) to determine such students' final financial aid awards; and

"(iv) receive final financial aid awards based on updated information described in clause (iii).

"(B) PURPOSE AND OBJECTIVES.—The purpose of the demonstration program under this paragraph shall be to measure the benefits, in terms of student aspirations and plans to attend college, and the 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 the year prior to the year prior to enrollment. Additional objectives associated with implementation of the demonstration program are the following:

"(i) Measure the feasibility of enabling dependent students to apply for Federal, State, and institutional financial aid in their junior year of high school, using information from the year prior to the year prior to enrollment, by completing any of the application forms under this subsection.

"(ii) Identify whether receiving final financial aid awards no later than the fall of the senior year 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.

"(iii) 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.

"(iv) Effectively evaluate the benefits and adverse effects of the demonstration program on program costs, integrity, distribution, and delivery of aid.

"(C) PARTICIPANTS.—The Secretary shall select States and institutions within those States to participate in the demonstration program under this paragraph that are participating in the programs under this title and that are willing to make final financial aid awards to students based on their application information from the year prior to the year prior to enrollment. The Secretary shall also select as participants in the demonstration program secondary schools and dependent students that are located in the participating States.

"(D) APPLICATION PROCESS.—The Secretary shall insure that the following provisions are included in the demonstration program:

"(i) Participating States and institutions shall—

"(I) encourage participating students to apply for estimates of financial aid awards as provided under this title in such students' junior year of secondary school, or in the academic year that is 2 years prior to such students' intended year of enrollment at an institution of higher education, using the most recent information available; and

"(II) make final financial aid awards to participating students based on the updated information contained on a form submitted using the process described in paragraph (5).

"(ii) Financial aid administrators at participating institutions shall be allowed to use their discretion in awarding financial aid to participating students, as outlined under section 479A and section 480(d)(7).

"(E) EVALUATION.—The Secretary shall conduct a rigorous evaluation of this demonstration program in order to measure its benefits and adverse effects as indicated under subparagraph (A).

"(F) OUTREACH.—The Secretary shall make appropriate efforts in order to notify States of the demonstration program under this paragraph. Upon determination of participating States, the Secretary shall continue to make efforts to notify institutions and dependent students within participating States of the opportunity to participate in the demonstration program and of the participation requirements.

"(G) CONSULTATION.—The Secretary shall consult with the Advisory Committee on Student Financial Assistance, established under section 491, on the design and implementation of the demonstration program and on the evaluation described in subparagraph (E).";

(3) by striking subsection (b); and

(4) by redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d), respectively.

(b) MASTER CALENDAR.—Section 482(a)(1) (20 U.S.C. 1089(a)(1)) is amended by striking subparagraphs (B) and (C) and inserting the following:

"(B) by March 1: proposed modifications, updates, and notices pursuant to sections 478 and 483(a)(6) published in the Federal Register;

"(C) by June 1: final modifications, updates, and notices pursuant to sections 478 and 483(a)(6) published in the Federal Register;".

(c) MODEL INSTITUTION FINANCIAL AID OFFER FORM.—

(1) REPORT AND MODEL FORMAT.—Not later than 1 year after the date of enactment of the College Opportunity and Affordability Act of 2007, the Secretary shall—

(A) prepare a report on the adequacy of the financial aid offer forms provided by institutions of higher education to students and the parents of such students, after consulting with—

(i) students;

(ii) parents of students;

(iii) representatives of institutions of higher education (including financial aid administrators, registrars, and business officers); and

(iv) consumer groups that receive no commercial or institution of higher education support;

(B) include in the report a model format for financial aid offer forms that—

(i) is based on the report's findings; and

(ii) includes the information described in paragraph (2); and

(C)(i) submit the report and model format to the authorizing committees (as defined in section 103 of the Higher Education Act of 1965 (20 U.S.C. 1003); and

(ii) make the report and model format available to institutions of higher education, lenders, and the public.

(2) MODEL FORMAT CONTENTS.—The model financial aid offer format developed under paragraph (1) shall present, in a consumer-friendly manner, the following information:

(A) The student's cost of attendance for the year for which the institution of higher education is issuing the financial aid offer form, including the actual or estimated costs included in the cost of attendance for such year for each of the following:

(i) Tuition and fees.

(ii) Room and board costs.

(iii) Books and supplies.

(iv) Transportation.

(B) The amount of financial aid that the student does not have to repay, such as scholarships and grants, offered to the student for such year.

(C) The conditions under which the financial aid described in subparagraph (B) is renewable each year.

(D) The amount of work-study assistance offered to the student for such year, and the conditions under which the student has to fulfill the work-study assistance.

(E) The types and amounts of loans under part B, D, or E of title IV for which the student is eligible for such year, and the interest rate, loan term, monthly repayment amount, and total repayment amount of each such loan.

(F) The types and amounts of loans under 428B or Federal Direct PLUS loans under section 455 for which a parent of the student is eligible for such year, and the interest rate, loan term, monthly repayment amount, and total repayment amount of each such loan.

(G) The net amount that the student or the student's parent will have to pay to attend the institution for such year, which amount shall be the difference between—

(i) the cost of attendance for the student for such year; less

(ii) the amount of financial aid offered by the covered institution in the financial aid offer form.

(H) Where a student or the student's parent can seek additional information regarding the financial aid offered.

(I) Any other information the Secretary determines necessary so that students and parents can make informed student loan borrowing decisions.

SEC. 483. INCREASING ACCESS TO TECHNOLOGY.

Section 483 (20 U.S.C. 1087ss) is further amended by adding at the end the following:

"(e) ADDRESSING THE DIGITAL DIVIDE.—The Secretary shall utilize savings accrued by moving more applicants to the electronic forms described in subsection (a)(4) to improve access to the electronic forms described in subsection (a)(4) for applicants meeting the requirements of section 479(b) or (c).".

SEC. 484. SENSE OF THE CONGRESS; REPORT.

(a) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) in order to simplify the Free Application for Federal Student Aid (FAFSA), which serves as an entry point for the scholarships, grants, loans, and work-

study assistance that make it possible for millions of students to attend college, the Secretary of Education and the Secretary of the Treasury should work together to develop a process by which the Department of Education will, with the aid applicant's permission, draw income information directly from the Internal Revenue Service for the purpose of completing the EZ FAFSA, the FAFSA, and FAFSA renewal applications and providing early estimates of aid eligibility; and

(2) this process would—

(A) ease the burden of reporting income-related information for applicants;

(B) increase the efficiency, accuracy, and security of the FAFSA filing process;

(C) significantly reduce the need for further verification by the Department of Education, institutions, and applicants; and

(D) protect the security, privacy, and safety of all data used in the FAFSA filing process.

(b) REPORT.—The Secretary of Education shall, within one year after the date of enactment of this Act—

(1) provide the Congress with information on the progress in devising the simplified process described in subsection (a); and

(2) inform the Congress of any necessary statutory changes for the purpose of increasing the efficiency and effectiveness of the FAFSA application process.

SEC. 485. STUDENT ELIGIBILITY.

(a) AMENDMENTS.—Section 484 (20 U.S.C. 1091) is amended—

(1) in subsection (a)—

(A) in paragraph (4)(B), by striking "the Republic of the Marshall Islands, the Federated States of Micronesia, or"; and

(B) in paragraph (5), by striking "a citizen of any one of the Freely Associated States" and inserting "or, to the extent described in subsection (j), a citizen of the Republic of Palau";

(2) by amending subsection (j) to read as follows:

"(j) ASSISTANCE UNDER SUBPART 1 OF PART A FOR STUDENTS FROM PALAU.—Notwithstanding any other provision of law, a student shall be eligible until September 30, 2009, for assistance under subpart 1 of part A if the student is otherwise qualified and—

"(1) is a citizen of the Republic of Palau and attends an institution of higher education in a State or a public or nonprofit private institution of higher education in the Freely Associated States; or

"(2) meets the requirements of subsection (a)(5) and attends a public or nonprofit private institution of higher education in any one of the Freely Associated States.";

(3) by striking subsection (l) and inserting the following:

"(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 associate, baccalaureate, or 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) RESTRICTION OR 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 discretionary 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 prior to July 1, 2008, the Secretary shall not take any compliance, disallowance, penalty, or other action 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.";

(4) in subsection (r)(2)—

(A) in subparagraph (A), by striking "or" at the end of clause (ii);

(B) by redesignating subparagraph (B) as subparagraph (C); and

(C) by inserting after subparagraph (A) the following new subparagraph:

"(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"; and

(5) by adding at the end the following:

"(s) STUDENTS WITH INTELLECTUAL DISABILITIES.—

"(1) IN GENERAL.—Notwithstanding subsections (a), (c), and (d), in order to receive any grant or work assistance under section 401 and subpart 3 of part A and part C of this title, a student with an intellectual disability shall—

"(A) be an individual with an intellectual disability whose mental retardation or other significant cognitive impairment substantially impacts the individual's intellectual and cognitive functioning;

"(B)(i) be a student eligible for assistance under the Individuals with Disabilities Education Act who has completed secondary school; or

"(ii) be an individual who was, but is no longer, eligible for assistance under the Individuals with Disabilities Education Act because the individual has exceeded the maximum age for which the State provides a free appropriate public education;

"(C) be enrolled or accepted for enrollment in a comprehensive transition and postsecondary education program that—

"(i) is designed to support students with an intellectual disability who are seeking to continue academic, vocational, and independent living instruction at the institution in order to prepare for gainful employment and independent living;

"(ii) includes an advising and curriculum structure; and

"(iii) requires students to participate on at least a half-time basis, as determined by the institution, including—

"(I) regular enrollment in courses offered by the institution;

"(II) auditing or participating in courses offered by the institution for which the student does not receive regular academic credit;

"(III) enrollment in noncredit, nondegree courses;

"(IV) participation in internships; or

"(V) a combination of 2 or more of the activities described in clauses (i) through (iv);

"(D) be maintaining satisfactory progress in the program as determined by the institution, in accordance with standards established by the institution; and

"(E) meet the requirements of paragraphs (3), (4), (5), and (6) of subsection (a).

"(2) REGULATIONS.—Notwithstanding rules applicable to grant or work assistance awards made under section 401 of part A, subpart 3 of part A, and part C of this title, 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 College Opportunity and Affordability Act of 2007, the Secretary shall, in consultation with the Central Processing System, 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 of Education website and the Digest of Education and 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 of the Congress, in each fiscal year, a report describing the results obtained by the establishment and operation of the data system authorized by this subsection.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take affect on July 1, 2009.

SEC. 486. ASSESSMENT OF COSTS AND OTHER CHARGES.

Section 484A(b) (20 U.S.C. 1091a(b)) is amended—

(1) by striking "and" at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(3) in collecting any obligation arising from a loan made under part E of this title, 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.".

SEC. 487. READMISSION REQUIREMENTS FOR SERVICEMEMBERS.

Section 484B(a)(2) (20 U.S.C. 1091b(a)(2)) is amended by adding at the end the following new subparagraph:

"(C) READMISSION REQUIREMENTS FOR SERVICEMEMBERS.—Any institution of higher education that requires any student—

"(i) who is a member of the Armed Forces of the United States, or a member of such Armed Forces in a retired status, including members of the National Guard or other reserve component,

"(ii) who is on active duty, or is called or ordered to active duty (as defined in section 481(d)), and

"(iii) whose attendance at such institution is interrupted by such active duty,

to apply for readmission to such institution of higher education after the conclusion of such active duty shall submit to the Secretary a statement justifying such requirement.".

SEC. 488. INSTITUTIONAL AND FINANCIAL ASSISTANCE INFORMATION FOR STUDENTS.

(a) DISCLOSURE OF POLICIES AND SANCTIONS RELATED TO COPYRIGHT INFRINGEMENT.—Section 485(a)(1) (20 U.S.C. 1092(a)(1)) is amended—

(1) by striking "and" at the end of subparagraph (N);

(2) by striking the period at the end of subparagraph (O) and inserting "; and" ; and

(3) by adding at the end the following new subparagraph:

"(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;

"(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; and

"(iv) a description of actions that the institution takes to prevent and detect unauthorized distribution of copyrighted material on the institution's information technology system.".

(b) CRIMINAL OFFENSES REPORTED.—Section 485(f)(1) (20 U.S.C. 1092(f)(1)) is amended—

(1) in the matter preceding subparagraph (A), by inserting ", other than a foreign institution of higher education," after "under this title"; and

(2) in subparagraph (F)—

(A) by striking clause (i) and inserting the following:

"(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) intimidation;

"(VI) burglary;

"(VII) larceny-theft;

"(VIII) motor vehicle theft;

"(IX) destruction, damage, or vandalism of property;

"(X) simple assault;

"(XI) manslaughter;

"(XII) arson; and

"(XIII) arrests or persons referred for campus disciplinary action for liquor law violations, drug-related violations, and weapons possession; and"; and

(B) in clause (ii), by striking "of the crimes described in subclauses (I) through (VIII)" and inserting "for degree-granting institutions only, of the crimes described in subclauses (I) through (XII)"; and

(3) by adding at the end the following new subparagraph:

"(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 shall include procedures—

"(i) to notify the campus community in not more than 30 minutes in the event of a significant emergency or dangerous situation, involving an immediate threat to the health or safety of students or staff, occurring on the campus, in or on noncampus buildings or property, and on public property;

"(ii) to publicize emergency response and evacuation procedures on an annual basis in a manner designed to reach students and staff; and

"(iii) to test emergency response and evacuation procedures on an annual basis.".

(c) ADDITIONAL AMENDMENT.—Section 485(f) is further amended—

(1) by redesignating paragraph (15) as paragraph (18); and

(2) by inserting after paragraph (14) the following:

"(15) 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.

"(16) BEST PRACTICES.—The Secretary may seek the advice and counsel of the Attorney General concerning the development, and dissemination to institutions of higher education, of best practices information about campus safety and emergencies.

"(17) RETALIATION PROHIBITED.—No participating institution or officer, employee, or agent of the institution shall intimidate, threaten, coerce, or otherwise discriminate against any individual for the purpose of interfering with the implementation of any provision of this subsection, or any rights or privileges accorded under this subsection, or because the individual has complained, testified, assisted, or otherwise participated in any aspect of an investigation, proceeding, or hearing.".

(d) ADDITIONAL REQUIREMENTS.—Section 485 (20 U.S.C. 1092) is amended by adding at the end the following new subsections:

"(h) TRANSFER OF CREDIT POLICIES.—

"(1) DISCLOSURE.—Each institution of higher education participating in any program under this title shall publicly disclose in a readable 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.

"(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 eligible institution participating in any program under this title shall, on an annual basis submit to the Secretary a copy of the statistics required to be made available under subparagraph (A).

"(3) CURRENT INFORMATION TO CAMPUS COMMUNITY.—Each institution participating in any program under this title 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 such statistics submitted 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;

"(ii) disseminate information 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 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.

"(8) RETALIATION PROHIBITED.—No participating institution or officer, employee, or agent of the institution shall intimidate, threaten, coerce, or otherwise discriminate against any individual for the purpose of interfering with the implementation of any provision of this subsection, or any rights or privileges accorded under this subsection, or because the individual has complained, testi-

fied, assisted, or otherwise participated in any aspect of an investigation, proceeding, or hearing.

"(j) MISSING PERSON PROCEDURES.—

"(1) FORM AND PROTOCOLS.—Each institution of higher education participating in any program under this title shall—

"(A) include on its form for registration or enrollment of students an item in which the student can elect to identify an individual to be notified and police to be notified by the university within 24 hours of when a student is reported missing to the university, and

"(B) establish protocols for missing students that—

"(i) require any missing person report relating to any student be referred to the institution's police or campus security department; and

"(ii) if, on investigation of the report, such department determines that the missing person has been missing for more than 24 hours, require—

"(I) such department to refer to the item on the registration document required under subparagraph (A) and contact the individual named by the student in such item; and

"(II) if the student is under 18 years of age, the institution of higher education to automatically contact the parents of such student.

"(2) WAIVER.—The item required by paragraph (1)(A) shall explicitly and prominently state that by identifying an individual to contact in the case of disappearance, the student waives any right to sue based on Federal or State privacy law in the event that a missing persons notification is made to the individual named by such student in such item.

"(3) ADDITIONAL REMEDIES PERMITTED.—Nothing in this subsection shall be construed to prevent or discourage an institution of higher education from taking additional measures with respect to missing students beyond those required by this subsection.

"(k) NOTICE TO STUDENTS CONCERNING PENALTIES FOR DRUG VIOLATIONS.—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).".

SEC. 489. ARTICULATION AGREEMENTS.

Part G of title IV is amended by inserting after section 486 (20 U.S.C. 1093) the following new section:

"SEC. 486A. ARTICULATION AGREEMENTS.

"(a) PROGRAM TO ENCOURAGE ARTICULATION AGREEMENTS.—

"(1) PROGRAM REQUIREMENTS.—The Secretary shall carry out a program for States, in cooperation with public institutions of higher education, to develop, enhance, and implement comprehensive articulation agreements among such institutions in a State, and (to the extent practicable) across State lines, by 2010. Such articulation agreements shall be made widely and publicly available on the websites of States and institutions, and on the application materials of such institutions. In developing, enhancing, and implementing articulation agreements, States and public institutions of higher education may employ strategies, where applicable, including—

"(A) common course numbering;

"(B) a general education core curriculum;

"(C) developing or expanding articulation agreements that include both public and private institutions of higher education; and

"(D) other strategies identified by the Secretary.

"(2) TECHNICAL ASSISTANCE PROVIDED.—The Secretary shall provide technical assistance to States and institutions of higher education for the purposes of developing and implementing articulation agreements in accordance with this subsection.

"(3) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to limit the academic freedom or choices of institutions of higher education.

"(b) STUDY REQUIRED.—The Secretary shall conduct a study to review the articulation agreements at State-based college and university systems, including junior or community colleges, as well as those at other institutions of higher education, including private non-profit and for-profit institutions. Such study shall consider—

"(1) the extent to which States and institutions have developed and implemented articulation agreements;

"(2) with respect to the articulation agreements developed—

"(A) the number and types of institutions participating the programs offered;

"(B) the cost-savings to the participating institutions and to the students;

"(C) what strategies are being employed, including common course numbering and general education core curriculum;

"(D) the effective use of technologies to contain costs, maintain quality of instruction, and inform students; and

"(E) a description of the students to whom the articulation agreements are offered and, to the extent practicable, a description of the students who take advantage of the articulation agreements;

"(3) best practices and innovative strategies employed to implement effective articulation agreements; and

"(4) barriers to the implementation of articulation agreements, including technological and informational barriers.

"(c) REPORT.—The Secretary shall submit to the authorizing committees an interim report on the study required by this section not later than 2 years after the date of enactment of the College Opportunity and Affordability Act of 2007 and a final report on such study not later than January 1, 2013.

"(d) DEFINITION.—In this section, the term 'articulation agreement' means an agreement between institutions of higher education that specifies the acceptability of courses in transfer toward meeting specific degree requirements.".

SEC. 490. PROGRAM PARTICIPATION AGREEMENTS.

(a) ADDITIONAL REQUIREMENTS.—Section 487(a) (20 U.S.C. 1094(a)) is amended—

(1) by adding at the end of paragraph (23) the following new subparagraph:

"(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, provided such information is in an electronic message devoted exclusively to voter registration."; and

(2) by adding at the end the following new paragraphs:

"(24)(A) A covered institution that has entered into a preferred lender arrangement will compile, maintain, and make available for students attending the institution (or the parents of such students) a list, in print or any other medium, of the specific lenders for educational loans that the institution recommends, promotes, or endorses in accordance with such preferred lender arrangement. In compiling, maintaining, and making available such list, the institution will—

"(i) clearly and fully disclose on such list—

"(I) no less than the information required to be disclosed in the model disclosure form, or updated model disclosure form, required under section 153;

"(II) why the institution has entered into a preferred lender arrangement with each listed lender, particularly with respect to terms and conditions favorable to the borrower; and

"(III) that the students attending the institution (or the parents of such students) do not have to borrow from a listed lender;

"(ii) ensure, through the use of the list provided by the Secretary under subparagraph (B), that—

"(I) there are not less than 3 lenders of loans made under part B that are not affiliates of each other included on such list and, if the institution recommends, promotes, or endorses private educational loans, there are not less than 2 lenders of private educational loans that are not affiliates of each other included on such list;

"(II) the list under this subparagraph—

"(aa) specifically indicates, for each listed lender, whether the lender is or is not an affiliate of each other lender on the list; and

"(bb) if a lender is an affiliate of another lender on the list, describes the details of such affiliation;

"(iii) 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 benefits provided to borrowers, including—

"(I) highly competitive interest rates, terms, or conditions of Federal and private educational loans;

"(II) high-quality servicing for such loans; or

"(III) additional benefits beyond the standard terms and conditions for such loans;

"(iv) exercise a duty of care and a duty of loyalty to compile the list under this subparagraph without prejudice and for the sole benefit of the students attending the institution (or the parents of such students);

"(v) not deny or otherwise impede the borrower's choice of a lender or cause unnecessary delays in loan certification under this title for those borrowers who choose a lender that has not been recommended, promoted, or endorsed by the institution; and

"(vi) comply with such other requirements as the Secretary may prescribe by regulation.

"(B) The Secretary shall maintain and update a list of lender affiliates of all eligible lenders, and shall provide such list to the institutions for use in carrying out subparagraph (A).

"(C) For the purposes of subparagraph (A)—

"(i) the term 'affiliate' means a person that controls, is controlled by, or is under common control with another person;

"(ii) a person controls, is controlled by, or is under common control with another person if—

"(I) the person directly or indirectly, or acting through 1 or more others, owns, controls, or has the power to vote 5 percent or more of any class of voting securities of such other person;

"(II) the person controls, in any manner, the election of a majority of the directors or trustees of such other person; or

"(III) 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;

"(iii) the term 'preferred lender arrangement' has the meaning provided in section 151;

"(iv) the term 'educational loans' has the meaning provided in section 151, except that such term does not include loans under section 499(b) or under parts D or E of this title.

"(25) The institution will submit to the Secretary annually, in such form as the Secretary may prescribe, data on—

"(A) the number and percentage of students taking classes in whole or in part on-line or through distance education;

"(B) of such students, the number and percentage of those taking their classes exclusively on-line or through distance education; and

"(C) the number and percentage of courses offered by the institution that are offered on-line or through distance education.".

(b) REPORTS ON DISCIPLINARY PROCEEDINGS.—

(1) AMENDMENT.—Section 487(a) (20 U.S.C. 1094(a)) is further amended by adding after paragraph (25), as added by subsection (a) of this section, the following new paragraph:

"(26) The institution will, upon request, disclose to the alleged victim of any crime of violence (as that term is defined in section 16 of title 18), or a nonforcible sex offense, the final 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, the next of kin of such victim shall be treated as the alleged victim for purposes of this paragraph.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to any disciplinary proceeding conducted by such institution on or after one year after the date of enactment of this Act.

(c) ENFORCING THE 90/10 RULE.—

(1) AMENDMENT.—Section 487(a) (20 U.S.C. 1094(a)) is further amended by adding at the end the following new paragraph:

"(27) A proprietary institution of higher education (as defined in section 102(b)) will, as calculated in accordance with subsection (f)(1) of this section, have not less than 10 percent of its revenues from sources other than funds provided under this title, or will be subject to the sanctions described in subsection (f)(2) of this section.".

(2) IMPLEMENTATION.—Section 487 is further amended by adding at the end the following new subsection:

"(f) IMPLEMENTATION OF NON-TITLE IV REVENUE REQUIREMENT.—

"(1) CALCULATION.—In carrying out subsection (a)(27), a proprietary institution of higher education shall—

"(A) use the cash basis of accounting;

"(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, to the extent not included in tuition, fees, and other institutional charges, that are necessary for the education or training of its students who are enrolled in programs eligible for assistance under this title, 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, provided that the program is approved or licensed by the appropriate State agency and is accredited by an accrediting agency recognized by the Secretary;

"(C) presume that any title IV program funds 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 student'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 Federal, State, or local government agencies for the purpose of providing job training to low-income individuals who are in need of that training; or

"(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, provided that the institution can reasonable demonstrate such funds were used to pay the student's tuition, fees, or other institutional charges;

"(D) include institutional aid as revenue to the school only as follows:

"(i) in the case of institutional loans, only the amount of loan repayments received during the fiscal year; and

"(ii) in the case of institutional scholarships, only those 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 the 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) exclude from revenues—

"(i) the amount of funds it received under the Federal Work-Study program, unless the institution used those funds to pay a student's institutional charges;

"(ii) the amount of funds it received under the Leveraging Education Assistance Partnership program;

"(iii) the amount of institutional funds it used to match title IV program funds;

"(iv) the amount of title IV program funds that must be refunded or returned; or

"(v) the amount charged for books, supplies, and equipment unless the institution includes that amount as tuition, fees, or other institutional charges.

"(2) SANCTIONS.—

"(A) An institution that fails to meet the requirements of subsection (a)(27) for 2 consecutive fiscal years shall become ineligible to participate in the programs authorized by this title. To regain eligibility to participate in the programs authorized by this title, an institution that loses its eligibility as a sanction under this subparagraph must demonstrate compliance with all eligibility requirements for at least the 3 fiscal years following the fiscal year the institution became ineligible.

"(B) In addition to such other means of enforcing the requirements of this title as may be available to the Secretary, if an institution fails to meet the requirements of subsection (a)(27) in any fiscal year, the Secretary shall impose sanctions on the institution, which shall include—

"(i) placing the institution on provisional certification in accordance with section 498(h) until the institution demonstrates, to the satisfaction of the Secretary, that it is in compliance with subsection (a)(27);

"(ii) requiring the institution to provide to the Secretary satisfactory evidence of its financial responsibility in accordance with section 498(c)(3); and

"(iii) requiring such other increased monitoring and reporting requirements as the Secretary determines necessary until the institution demonstrates, to the satisfaction of the Secretary, that it is in compliance with subsection (a)(27).

"(3) PUBLICATION ON COLLEGE NAVIGATOR WEBSITE.—The Secretary shall publicly disclose the identity of any institution that fails to meet the requirements of subsection (a)(27) on the College Navigator website.

"(4) REPORT TO CONGRESS.—The Secretary shall annually submit to the authorizing committees a report that contains, for each institution subject to the requirement of subsection (a)(27), the result of the calculation of revenue performed by each such institution pursuant to such subsection and paragraph (1) of this subsection.".

(d) COMPUTER DISPOSAL.—Section 487(a) is further amended by adding at the end the following new paragraph:

"(28)(A) The institution of higher education will establish a policy on the disposal or disposition (including selling, donating, returning upon lease end, or destroying by recycling), of all technology assets which may have personal and sensitive data of students. Such policy may include a forensic scrub that ensures total destruction of data on the technology assets and include a designated for disposal or disposition, transfer ownership and liability from that institution to State and federally approved recyclers or de-manufacturers of such equipment.

"(B) For purposes of this paragraph, the term 'technology assets' means a computer central processing unit, monitor, printer, router, server, peripheral devices (such as switches, hubs, and systems), firewalls, telephones, or other simple network devices or single piece of information technology equipment.".

(e) AUDITS; FINANCIAL RESPONSIBILITY; ENFORCEMENT OF STANDARDS.—Section 487(c)(1)(A) (20 U.S.C. 1094(c)(1)(A)) is amended—

(1) in clause (i)—

(A) by striking "clauses (ii) and (iii)" and inserting "clauses (ii), (iii), and (iv)"; and

(B) by inserting before the semicolon at the end the following: ", 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";

(2) in clause (ii), by striking "or" after the semicolon;

(3) in clause (iii), by inserting "or" after the semicolon; and

(4) by inserting after clause (iii) the following new clause:

"(iv) with respect to an eligible institution that is audited under clause (i), and for which it is determined through such audit that the percentage of students enrolled at the institution who were accepted for enrollment and made eligible for student financial assistance under this title by way of section 484(d)(2) exceeds 5 percent of the total enrollment of the institution for such academic year, an additional review to confirm that the institution is in compliance with the regulations prescribed by the Secretary under section 484(d);".

SEC. 491. REGULATORY RELIEF AND IMPROVEMENT.

Section 487A(b) (20 U.S.C. 1094a(b)) is amended—

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

"(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 activities 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, 2009.";

(2) by striking the matter preceding paragraph (2)(A) and inserting the following:

"(2) REPORT.—The Secretary shall review and evaluate the experience of institutions participating as experimental sites and shall, on a biennial basis, sub-

mit a report based on the review and evaluation to the authorizing committees. Such report shall include—"; and

(3) in paragraph (3)—

(A) in subparagraph (A)—

(i) by striking "Upon the submission of the report required by paragraph (2), the" and inserting "The"; and

(ii) by inserting "periodically" after "authorized to";

(B) by striking subparagraph (B);

(C) by redesignating subparagraph (C) as subparagraph (B); and

(D) in subparagraph (B) (as redesignated by subparagraph (C))—

(i) by inserting ", 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" after "requirements in this title";

(ii) by inserting "(other than an award rule related to an experiment in modular or compressed schedules)" after "award rules"; and

(iii) by inserting "unless the waiver of such provisions is authorized by another provision under this title" before the period at the end.

SEC. 492. ADVISORY COMMITTEE ON STUDENT FINANCIAL ASSISTANCE.

Section 491 (20 U.S.C. 1098) is amended—

(1) in subsection (a)(2)—

(A) in subparagraph (B), by striking "and" after the semicolon;

(B) in subparagraph (C), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

"(D) to provide knowledge and understanding of early intervention programs and make recommendations that will result in early awareness by low- and moderate-income students and families of their eligibility for assistance under this title, and, to the extent practicable, their eligibility for other forms of State and institutional need-based student assistance; and

"(E) to make recommendations that will expand and improve partnerships among the Federal Government, States, institutions, and private entities to increase the awareness and total amount of need-based student assistance available to low- and moderate-income students.";

(2) in subsection (d)—

(A) in paragraph (6), by striking ", but nothing in this section shall authorize the committee to perform such studies, surveys, or analyses";

(B) in paragraph (8), by striking "and" after the semicolon;

(C) by redesignating paragraph (9) as paragraph (10); and

(D) by inserting after paragraph (8) the following:

"(9) monitor the adequacy of total need-based aid available to low- and moderate-income students from all sources, assess the implications for access and persistence, and report those implications annually to Congress and the Secretary; and";

(3) in subsection (j)(1)—

(A) by inserting "and simplification" after "delivery processes"; and

(B) by striking ", including the implementation of a performance-based organization within the Department, and report to Congress regarding such modernization on not less than an annual basis"; and

(4) in subsection (k), by striking "2004" and inserting "2011".

SEC. 493. NEGOTIATED RULEMAKING.

Section 492(b)(1) (20 U.S.C. 1098a(b)(1)) is amended by striking "from individuals nominated by groups described in subsection (a)(1)" and inserting "from individuals who are nominated by groups described in subsection (a)(1) and who have recognized legitimacy as designated representatives of major stakeholders, sectors, and constituencies in the higher education community".

SEC. 494. TECHNICAL AMENDMENT.

Section 493C(b)(1) (20 U.S.C. 1098e(b)(1)) is amended by striking "or is already in default".

SEC. 495. CAMPUS-BASED DIGITAL THEFT PREVENTION.

Part G of title IV (20 U.S.C. 1088 et seq.) is further amended by adding at the end the following new section:

"SEC. 494. CAMPUS-BASED DIGITAL THEFT PREVENTION.

"(a) IN GENERAL.—Each eligible institution participating in any program under this title shall to the extent practicable—

"(1) make publicly available to their students and employees, the policies and procedures related to the illegal downloading and distribution of copyrighted materials required to be disclosed under section 485(a)(1)(P); and

"(2) develop a plan for offering alternatives to illegal downloading or peer-to-peer distribution of intellectual property as well as a plan to explore technology-based deterrents to prevent such illegal activity.

"(b) 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, 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 a 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.

"(2) AWARDS.—Grants and contracts shall be awarded under paragraph (1) on a competitive basis.

"(3) APPLICATIONS.—An institution of higher education or a consortium of such institutions 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) 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 for each of the 4 succeeding fiscal years.".

PART H—PROGRAM INTEGRITY

SEC. 496. RECOGNITION OF ACCREDITING AGENCY OR ASSOCIATION.

(a) AMENDMENTS.—Section 496 (20 U.S.C. 1099b) is amended—

(1) in subsection (a)—

(A) in paragraph (4)—

(i) by striking "(4) such agency" and insert "(4)(A) such agency";

(ii) by inserting "and" after the semicolon at the end; and

(iii) by adding at the end the following new subparagraph:

"(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, 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 in the areas identified in paragraph (5), except that the agency or association shall not be required to have separate standards, procedures or policies for the evaluation of distance education institutions or programs in order to meet the requirements of this subparagraph; and

"(ii) the agency or association requires an institution that offers distance education to have processes through which the institution establishes that the student who registers in a distance education course or program is the same student who participates in and completes the program and receives the academic credit;";

(B) by striking paragraph (6) and inserting the following:

"(6) such 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 for—

"(A) adequate specification of requirements, including clear and consistent standards for an institution to be accredited, and deficiencies at the institution of higher education or program examined;

"(B) an opportunity for a written response by any such institution to be included, prior to final action, in the evaluation and withdrawal proceedings;

"(C) upon the written request of an institution, an opportunity for the institution to appeal any adverse action, including denial, withdrawal, sus-

pension, or termination of accreditation, at a hearing prior to such action becoming final, before an appeals panel that—

"(i) shall not include current members of the agency or association's underlying decision-making body that made the adverse decision; and

"(ii) is subject to a conflict of interest policy; and

"(D) the right to representation by counsel for such an institution during an appeal of the adverse action;"; and

(C) by striking paragraph (8) and inserting the following:

"(8) such agency or association shall make available to the public and the State licensing or authorizing agency, and submit 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, 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;

"(9) such agency or association confirms, as a part of the agency 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;

"(10) such agency or association reviews and takes into consideration the institution's response in any review or determination, and includes in any determination a written statement addressing the institution's response and stating the basis for such determination, and a copy of the institution's response; and

"(11) such agency or association shall not make a determination or take adverse action based upon an unpublished or undocumented policy, practice, or precedent.";

(2) in subsection (c)—

(A) in paragraph (1), by inserting ", including those regarding distance education" after "their responsibilities";

(B) by redesignating paragraphs (2) through (6) as paragraphs (4) through (8); and

(C) by inserting after paragraph (1) (as amended by subparagraph (A)) the following:

"(2) monitors the growth of programs at institutions that are experiencing significant enrollment growth;

"(3) requires an institution to submit a teach-out plan for approval to the accrediting agency 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(d);

"(B) the accrediting agency acts to withdraw, terminate, or suspend the accreditation of an institution; and

"(C) the institution notifies the accrediting agency that the institution intends to cease operations;";

(3) in subsection (g), by adding at the end the following: "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."; and

(4) in subsection (o), by adding at the end the following: "Notwithstanding any other provision of law, the Secretary shall not promulgate any regulation with respect to subsection (a)(5).".

(b) ADDITIONAL AMENDMENT.—Section 496(a)(4)(A) as amended by subsection (a) is further amended by inserting after "consistently applies and enforces standards" the following: "that respect the stated mission of the institution of higher education, including religious missions, and".

SEC. 497. ACCREDITATION OMBUDSMAN.

Subpart 2 of part H of title IV is amended by inserting after section 496 (20 U.S.C. 1099b) the following new section:

"SEC. 497. ACCREDITATION OMBUDSMAN.

"(a) APPOINTMENT.—The Assistant Secretary for Postsecondary Education, in consultation with the Secretary, shall appoint an Accreditation Ombudsman to provide timely assistance to institutions of higher education, accrediting agencies and associations, and other participants in the accreditation process who may have grievances related to the functions described in subsection (c).

"(b) PUBLIC INFORMATION.—The Assistant Secretary for Postsecondary Education shall disseminate information about the availability and functions of the Ombudsman to institutions of higher education, accrediting agencies and associations, and other participants in the accreditation process.

"(c) FUNCTIONS OF OMBUDSMAN.—The Ombudsman appointed under this section shall—

"(1) in accordance with regulations of the Secretary, receive, review, and attempt to resolve complaints from institutions of higher education, accrediting agencies and associations, and other participants in the accreditation process described in subsection (a), including, as appropriate, attempts to resolve such complaints within the Department of Education and with institutions of higher education, accreditation agencies and associations, and other participants in title IV programs; and

"(2) compile and analyze data on institutions of higher education and accrediting agency and association complaints and make appropriate recommendations.

"(d) REPORT.—Each year, the Ombudsman shall submit a report to the Assistant Secretary for Postsecondary Education, for inclusion in the annual report under section 114, that describes the activities, and evaluates the effectiveness of the Ombudsman during the preceding year.".

SEC. 498. PROGRAM REVIEW AND DATA.

Section 498A(b) (20 U.S.C. 1099c–1(b)) is amended—

(1) by striking "and" at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(6) provide the institution adequate opportunity to review and respond to any program review report or audit finding before any final program review or audit determination is reached, including access to any and all workpapers, notes, documentation, records, or other information relating to the program review report or audit finding;

"(7) review and take into consideration the institution's response in any final program review or audit determination, and include in the final determination a written statement addressing the institution's response and stating the basis for such final determination, and 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 determination has been issued.".

SEC. 499. COMPETITIVE LOAN AUCTION PILOT PROGRAM EVALUATION.

Section 499 (as added by section 701 of the College Cost Reduction and Access Act of 2007) is amended by adding at the end the following new subsections:

"(c) REQUIRED INITIAL EVALUATION.—The Secretary and Secretary of the Treasury shall jointly conduct an evaluation, in consultation with the Office of Management and Budget, the Congressional Budget Office, and the Comptroller General, of the pilot program carried out by the Secretary under this section. The evaluation shall determine—

"(1) the extent of the savings to the Federal Government that are generated through the pilot program, compared to the cost the Federal Government would have incurred in operating the PLUS loan program under section 428B in the absence of the pilot program;

"(2) the number of lenders that participated in the pilot program, and the extent to which the pilot program generated competition among lenders to participate in the auctions under the pilot program;

"(3) the number and volume of loans made under the pilot in each State;

"(4) the effect of the transition to and operation of the pilot program on the ability of—

"(A) lenders participating in the pilot program to originate loans made through the pilot program smoothly and efficiently;

"(B) institutions of higher education participating in the pilot program to disburse loans made through the pilot program smoothly and efficiently; and

"(C) parents to obtain loans made through the pilot program in a timely and efficient manner;

"(5) the differential impact, if any, of the auction among the States, including between rural and non-rural States;

"(6) the feasibility of using the mechanism piloted to operate the other loan programs under part B of this title; and

"(7) the feasibility of using other market mechanisms to operate the loan programs under part B of this title, including the sale of securities backed by federally owned student loan assets originated by banks acting as agents of the Federal Government.

"(d) REPORTS.—The Secretary and the Secretary of the Treasury shall submit to the authorizing committees—

"(1) not later than September 1, 2010, a preliminary report regarding the findings of the evaluation described in subsection (c);

"(2) not later than September 1, 2012, an interim report regarding such findings; and

"(3) not later than September 1, 2013, a final report regarding such findings.".

TITLE V—TITLE V AMENDMENTS

SEC. 501. POSTBACCALAUREATE OPPORTUNITIES FOR HISPANIC AMERICANS.

(a) ESTABLISHMENT OF PROGRAM.—Title V is amended—

(1) by redesignating part B as part C;

(2) by redesignating sections 511 through 518 as sections 521 through 528, respectively; and

(3) by inserting after section 505 (20 U.S.C. 1101d) the following new part:

"PART B—PROMOTING POSTBACCALAUREATE OPPORTUNITIES FOR HISPANIC AMERICANS

"SEC. 511. PURPOSES.

"The purposes of this part are—

"(1) to expand postbaccalaureate educational opportunities for, and improve the academic attainment of, Hispanic students; and

"(2) to expand the postbaccalaureate academic offerings and enhance the program quality in the institutions that are educating the majority of Hispanic college students and helping large numbers of Hispanic and low-income students complete postsecondary degrees.

"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 competitive grants to Hispanic-serving institutions determined by the Secretary to be making substantive contributions to graduate educational opportunities for Hispanic students.

"(b) ELIGIBILITY.—For the purposes of this part, an 'eligible institution' means an institution of higher education that—

"(1) is an eligible institution under section 502(a)(2); and

"(2) offers a postbaccalaureate certificate or degree granting program.

"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 needy 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 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 learning academic instruction capabilities, including purchase or rental of telecommunications technology equipment or services.

"(7) Collaboration with other institutions of higher education to expand postbaccalaureate certificate and 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. 514. APPLICATION AND DURATION.

"(a) APPLICATION.—Any eligible institution may apply for a grant under this part by submitting an application to the Secretary at such time and in such manner as determined by the Secretary. Such application shall demonstrate how the grant funds will be used to improve postbaccalaureate education opportunities in programs and professions in which Hispanic Americans are underrepresented.

"(b) DURATION.—Grants under this part shall be awarded for a period not to exceed 5 years.

"(c) LIMITATION.—The Secretary shall not award more than one grant under this part in any fiscal year to any Hispanic-serving institution.".

(b) COOPERATIVE ARRANGEMENTS.—Section 524(a) (as redesignated by subsection (a)(2)) (20 U.S.C. 1103c(a)) is amended by inserting "and section 513" after "section 503".

(c) AUTHORIZATION OF APPROPRIATIONS.—Subsection (a) of section 528 (as redesignated by subsection (a)(2) of this section) (20 U.S.C. 1103g) is amended to read as follows:

"(a) AUTHORIZATIONS.—

"(1) PART A.—There are authorized to be appropriated to carry out part A and part C of this title $175,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(2) PART B.—There are authorized to be appropriated to carry out part B of this title $125,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.".

(d) MINIMUM GRANT AMOUNT.—Section 528 (as redesignated by subsection (a)(2) of this section) (20 U.S.C. 1103g) is amended by adding at the end the following:

"(c) MINIMUM GRANT AMOUNT.—The minimum amount of a grant under this title shall be $200,000.".

(e) PART A AUTHORIZED USES OF FUNDS.—Section 503(b) (20 U.S.C. 1101b(b)) is amended—

(1) by redesignating paragraph (14) as paragraph (15); and

(2) by inserting after paragraph (13) the following new paragraph:

"(14) Providing education or financial information designed to improve the financial literacy and economic literacy of students or the students' parents, especially with regard to student indebtedness and student assistance programs under the title IV.".

TITLE VI—TITLE VI AMENDMENTS

SEC. 601. INTERNATIONAL AND FOREIGN LANGUAGE STUDIES.

(a) FINDINGS AND PURPOSES.—Section 601 (20 U.S.C. 1121) is amended—

(1) in subsection (a)(3), by striking "post-Cold War";

(2) in subsection (b)(1), by striking "; and" at the end of subparagraph (D) and inserting ", including through linkages overseas with institutions of higher education and relevant organizations that contribute to the educational programs assisted under this part; and"; and

(3) in subsection (b)(3) by inserting ", and international business and trade competitiveness" before the period.

(b) GRADUATE AND UNDERGRADUATE LANGUAGE AND AREA CENTERS AND PROGRAMS.—Section 602(a) (20 U.S.C. 1122(a)) is amended—

(1) in paragraph (1), by striking subparagraph (A) and inserting the following:

"(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.";

(2) in paragraph (2)—

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

(B) by striking the period at the end of subparagraph (H) and inserting a semicolon; and

(C) by inserting after subparagraph (H) the following new subparagraphs:

"(I) supporting instructors of the less commonly taught languages; and

"(J) projects that support in students an understanding of science and technology in coordination with foreign language proficiency."; and

(3) in paragraph (4)—

(A) by amending subparagraph (B) to read as follows:

"(B) Partnerships or programs of linkage and outreach with 2-year and 4-year colleges and universities, including colleges of education and teacher professional development programs.";

(B) in subparagraph (C), by striking "Programs of linkage or outreach" and inserting "Partnerships or programs of linkage and outreach";

(C) in subparagraph (E)—

(i) by striking "foreign area" and inserting "area studies";

(ii) by striking "of linkage and outreach"; and

(iii) by striking "(C), and (D)" and inserting "(D), and (E)";

(D) by redesignating subparagraphs (C), (D), and (E) as subparagraphs (D), (E), and (F), respectively; and

(E) by inserting after subparagraph (B) the following new subparagraph:

"(C) Partnerships with local educational agencies and public and private elementary and secondary education schools that are designed to increase student academic achievement in foreign language and knowledge of world regions, and to facilitate the wide dissemination of materials related to area studies.".

(c) FELLOWSHIPS FOR FOREIGN LANGUAGE AND AREA OR INTERNATIONAL STUDIES.—Section 602(b) (20 U.S.C. 1122(b)) is amended—

(1) by inserting "AND UNDERGRADUATE" after "GRADUATE" in the subsection heading; and

(2) by striking paragraph (2) and inserting the following:

"(2) ELIGIBLE STUDENTS.—A student receiving a stipend described in paragraph (1) shall be engaged 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, including predissertation level studies, preparation for dissertation research, dissertation research abroad, and dissertation writing, and—

"(A) in the case of graduate fellowships, activities in connection with a program described in this paragraph may include predissertation level studies, preparation for dissertation research, dissertation research abroad, and dissertation writing; or

"(B) in the case of undergraduate fellowships, students may be allowed to use their fellowships abroad for intermediate or advanced study of a less commonly taught language.".

(d) LANGUAGE RESOURCE CENTERS.—Section 603(c) (20 U.S.C. 1123(c)) is amended by inserting "reflect the purposes of this part and" after "shall".

(e) UNDERGRADUATE INTERNATIONAL STUDIES AND FOREIGN LANGUAGE PROGRAMS.—Section 604 (20 U.S.C. 1124) is amended—

(1) in subsection (a)(1), by striking "combinations" each place it appears and inserting "consortia";

(2) in subsection (a)(2)—

(A) in subparagraph (B)(ii), by striking "teacher training" and inserting "teacher professional development";

(B) by redesignating subparagraphs (I) through (M) as subparagraphs (J) through (N), respectively;

(C) by inserting after subparagraph (H) the following new subparagraph:

"(I) the provision of grants for educational programs abroad that are closely linked to the program's overall goals and have the purpose of promoting foreign language fluency and knowledge of world regions, except that not more than 10 percent of a grant recipient's funds may be used for this purpose;"; and

(D) in subparagraph (M)(ii) (as redesignated by subparagraph (B) of this paragraph), by striking "elementary and secondary education institutions" and inserting "local educational agencies and public and private elementary and secondary education schools";

(3) in subsection (a)(4)(B), by inserting "that demonstrates a need for a waiver or reduction" before the period at the end;

(4) in subsection (a)(6), by inserting "reflect the purposes of this part and" after "shall";

(5) in subsection (a)(8), by striking "may" and inserting "shall"; and

(6) by striking subsection (c).

(f) RESEARCH; STUDIES; ANNUAL REPORT.—Section 605(a) (20 U.S.C. 1125(a)) is amended by inserting before the period at the end of the first sentence the following: ", including the systematic collection, analysis, and dissemination of data".

(g) TECHNOLOGICAL INNOVATION AND COOPERATION FOR FOREIGN INFORMATION ACCESS.—Section 606 (20 U.S.C. 1126) is amended—

(1) in subsection (a)—

(A) by striking "or consortia of such institutions or libraries" and inserting "or partnerships between such institutions or libraries and nonprofit educational organizations including museums";

(B) by striking "new"; and

(C) by inserting "from foreign sources" after "disseminate information";

(2) in subsection (b)—

(A) by inserting "acquire and" before "facilitate access" in paragraph (1);

(B) by striking "new means of" in paragraph (3) and inserting "new means and standards for";

(C) by striking "and" at the end of paragraph (6);

(D) by striking the period at the end of paragraph (7) and inserting a semicolon; and

(E) by inserting after paragraph (7) the following new paragraphs:

"(8) to establish linkages between grant recipients under subsection (a) with libraries, museums, organizations, or institutions of higher education located overseas to facilitate carrying out the purposes of this section; and

"(9) to carry out other activities deemed by the Secretary to be consistent with the purposes of this section."; and

(3) by adding at the end the following new subsection:

"(e) SPECIAL RULE.—The Secretary may waive or reduce the required non-Federal share for institutions that—

"(1) are eligible to receive assistance under part A or B of title III or under title V; and

"(2) have submitted a grant application under this section that demonstrates a need for a waiver or reduction.".

(h) SELECTION OF GRANT RECIPIENTS.—Section 607(b) (20 U.S.C. 1127(b)) is amended—

(1) by striking "objectives" and inserting "missions"; and

(2) by adding at the end the following new sentence: "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, generate and disseminate information, and foster debate on international issues.".

(i) EQUITABLE DISTRIBUTION.—Section 608(a) (20 U.S.C. 1128(a)) is amended by adding at the end the following new sentence: "Grants made under section 602 shall also reflect the purposes of this part.".

(j) AUTHORIZATION OF APPROPRIATIONS.—Section 610 (20 U.S.C. 1128b) is amended by striking "1999" and inserting "2009".

(k) CONFORMING AMENDMENTS.—

(1) Sections 603(a), 604(a)(5), and 612 (20 U.S.C. 1123(a), 1124(a)(5), 1130–1) are each amended by striking "combinations" each place it appears and inserting "consortia".

(2) Section 612 (20 U.S.C. 1130–1) is further amended by striking "combination" each place it appears and inserting "consortium".

SEC. 602. BUSINESS AND INTERNATIONAL EDUCATION PROGRAMS.

(a) CENTERS FOR INTERNATIONAL BUSINESS EDUCATION.—Section 612 (20 U.S.C. 1130–1) is further amended—

(1) in subsection (a)(1)(C), by inserting "manufacturing software systems, technology management," after "commerce,";

(2) in subsection (c)(2)(E), by inserting "(including those that are eligible to receive assistance under part A or B of title III or under title V)" after "other institutions of higher education";

(3) in subsection (c)(2)—

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

(B) by inserting the following new subparagraph after subparagraph (E) (and redesignating the succeeding subparagraph):

"(F) programs encouraging the advancement and understanding of cultural, technological management, and manufacturing software systems practices between institutions of higher education in the United States and countries with existing partnerships with other countries, including those in Asian countries focused on this industry; and"; and

(4) in subsection (e), by adding at the end the following new paragraph:

"(5) SPECIAL RULE.—The Secretary may waive or reduce the required non-Federal share for institutions that—

"(A) are eligible to receive assistance under part A or B of title III or under title V; and

"(B) have submitted a grant application under this section that demonstrates a need for a waiver or reduction, as determined by the Secretary.".

(b) EDUCATION AND TRAINING PROGRAMS.—Section 613 (20 U.S.C. 1130a) is amended by adding at the end the following new subsection:

"(e) SPECIAL RULE.—The Secretary may waive or reduce the required non-Federal share for institutions that—

"(1) are eligible to receive assistance under part A or B of title III or under title V; and

"(2) have submitted a grant application under this section that demonstrates a need for a waiver or reduction, as determined by the Secretary.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 614 (20 U.S.C. 1130b) is amended by striking "1999" each place it appears and inserting "2009".

SEC. 603. INSTITUTE FOR INTERNATIONAL PUBLIC POLICY.

(a) FOREIGN SERVICE PROFESSIONAL DEVELOPMENT.—Section 621 (20 U.S.C. 1131) is amended—

(1) by striking the heading of such section and inserting the following:

"SEC. 621. PROGRAM FOR FOREIGN SERVICE PROFESSIONALS.";

(2) by striking the second sentence of subsection (a) and inserting the following: "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, the international commercial service, and the foreign service of the United States."; and

(3) in subsection (b)(1), by striking subparagraphs (A) and (B) and inserting the following:

"(A) A Tribally Controlled College or University or Alaska Native or Native Hawaiian-serving institution eligible for assistance under title III, an institution eligible for assistance under part B of title III, or a Hispanic-serving institution eligible for assistance under title V.

"(B) An institution of higher education which serves substantial numbers of underrepresented minority students.".

(b) INSTITUTIONAL DEVELOPMENT.—Section 622(a) (20 U.S.C. 1131–1(a)) is amended by inserting before the period at the end the following: "and promote collaboration with colleges and universities that receive funds under this title".

(c) STUDY ABROAD PROGRAM.—Section 623(a) (20 U.S.C. 1131a(a)) is amended by inserting after "1978," the following: "Alaska Native-serving, Native Hawaiian-serving, and Hispanic-serving institutions,".

(d) ADVANCED DEGREE IN INTERNATIONAL RELATIONS.—Section 624 (20 U.S.C. 1131b) is amended—

(1) by striking "**MASTERS**" in the heading of such section and inserting "**ADVANCED**";

(2) by striking "a masters degree in international relations" and inserting "an advanced degree in international relations, international affairs, international economics, or other academic areas related to the Institute fellow's career objectives"; and

(3) by striking "The masters degree program designed by the consortia" and inserting "The advanced degree study program shall be designed by the consortia, consistent with the fellow's career objectives, and".

(e) INTERNSHIPS.—Section 625 (20 U.S.C. 1131c) is amended—

(1) in subsection (a), by inserting after "1978," the following: "Alaska Native-serving, Native Hawaiian-serving, and Hispanic-serving institutions,";

(2) in subsection (b)—

(A) by inserting "and" after the semicolon at the end of paragraph (2);

(B) by striking "; and" at the end of paragraph (3) and inserting a period; and

(C) by striking paragraph (4); and

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

"(c) RALPH J. BUNCHE FELLOWS.—In order to assure the recognition and commitment of individuals from underrepresented student populations who demonstrate special interest in international affairs and language study, eligible students who participate in the internship programs authorized under subsections (a) and (b) shall be known as the Ralph J. Bunche Fellows.".

(f) REPORT.—Section 626 (20 U.S.C. 1131d) is amended by striking "annually prepare a report" and inserting "prepare a report biennially".

(g) AUTHORIZATION OF APPROPRIATIONS.—Section 628 (20 U.S.C. 1131f) is amended by striking "1999" and inserting "2009".

SEC. 604. PREPARING FOR EARLY FOREIGN LANGUAGE INSTRUCTION.

Title VI (20 U.S.C. 1121 et seq.) is amended—

(1) by redesignating part D as part E;

(2) by redesignating section 631 (20 U.S.C. 1132) as section 641; and

(3) by inserting after section 628 the following new part:

"PART D—PREPARING FOR EARLY FOREIGN LANGUAGE INSTRUCTION

"SEC. 631. PREPARING FOR EARLY FOREIGN LANGUAGE INSTRUCTION.

"(a) DEFINITIONS.—In this section:

"(1) ELIGIBLE PARTNERSHIP.—The term 'eligible partnership' means a partnership that—

"(A) shall include—

"(i) a foreign language department of an institution of higher education; and

"(ii) a local educational agency; and

"(B) may include—

"(i) another foreign language or teacher education department of an institution of higher education;

"(ii) another local educational agency, or an elementary or secondary school;

"(iii) a business;

"(iv) a nonprofit organization of demonstrated effectiveness, including a museum;

"(v) heritage or community centers for language study;

"(vi) language resource centers; or

"(vii) the State foreign language coordinator or State educational agency.

"(2) HIGH-NEED LOCAL EDUCATIONAL AGENCY.—The term 'high-need local educational agency' has the meaning given the term in section 2102 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6602).

"(3) ARTICULATED.—The term 'articulated' means that each grade level of the foreign language program is designed to sequentially expand on the student achievement of the previous level with a goal toward achieving an established level of language proficiency.

"(b) PURPOSE.—The purpose of this section is to improve the performance of students in the study of foreign languages by encouraging States, institutions of higher education, elementary schools, and secondary schools to participate in programs that—

"(1) upgrade the status and stature of foreign language teaching by encouraging institutions of higher education to assume greater responsibility for improving foreign language teacher education through the establishment of a comprehensive, integrated system of recruiting and advising such teachers;

"(2) focus on education of foreign language teachers as a career-long process that should continuously stimulate teachers' intellectual growth and upgrade teachers' knowledge and skills;

"(3) bring foreign language teachers in elementary schools and secondary schools together with linguists or higher education foreign language professionals to increase the subject matter knowledge and improve the teaching skills of teachers through the use of more sophisticated resources that institutions of higher education are better able to provide than such schools; and

"(4) develop more rigorous foreign language curricula that contain—

"(A) professionally accepted standards for elementary and secondary education instruction;

"(B) standards expected for postsecondary study in foreign language; and

"(C) articulated foreign language programs from kindergarten through grade 12 that demonstrate increased competence and proficiency over time and grade.

"(c) GRANTS TO PARTNERSHIPS.—

"(1) IN GENERAL.—The Secretary may award grants, on a competitive basis, to eligible partnerships to enable the eligible partnerships to pay the Federal

share of the costs of carrying out the authorized activities described in this section.

"(2) DURATION.—The Secretary shall award grants under this section for a period of 5 years.

"(3) FEDERAL SHARE.—The Federal share of the costs of the activities assisted under this section shall be—

"(A) 75 percent of the costs for the first year that an eligible partnership receives a grant payment under this section;

"(B) 65 percent of such costs for the second such year; and

"(C) 50 percent of such costs for each of the third, fourth, and fifth such years.

"(4) NON-FEDERAL SHARE.—The non-Federal share of the costs of carrying out the authorized activities described in this section may be provided in cash or in kind, fairly evaluated.

"(5) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to eligible partnerships—

"(A) that include high-need local educational agencies; or

"(B) that emphasize the teaching of commonly taught and critical foreign languages in an articulated program that demonstrates increased competency and proficiency over grade and time.

"(d) APPLICATIONS.—

"(1) IN GENERAL.—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.

"(2) CONTENTS.—An application under paragraph (1) shall include—

"(A) an assessment of the teacher quality and professional development needs of all the schools and agencies participating in the eligible partnership with respect to the teaching and learning of foreign languages;

"(B) a description of how the activities to be carried out by the eligible partnership will be based on a review of relevant research, and an explanation of why the activities are expected to improve student performance and to strengthen the quality of foreign language instruction; and

"(C) a description of—

"(i) how the eligible partnership will carry out the authorized activities described in subsection (e); and

"(ii) the eligible partnership's evaluation and accountability plan as described in subsection (f).

"(e) AUTHORIZED ACTIVITIES.—An eligible partnership shall use the grant funds provided under this section for 1 or more of the following activities related to elementary schools or secondary schools:

"(1) Creating opportunities for enhanced and ongoing professional development that improves the subject matter knowledge of foreign language teachers.

"(2) Recruiting university students with foreign language majors for teaching.

"(3) Promoting strong teaching skills for foreign language teachers and teacher educators.

"(4) Establishing foreign language summer workshops or institutes (including follow-up) for teachers.

"(5) Establishing distance learning programs for foreign language teachers.

"(6) Designing programs to prepare a teacher at a school to provide professional development to other teachers at the school and to assist novice teachers at such school, including (if applicable) a mechanism to integrate experiences from a summer workshop or institute.

"(7) Developing instruction materials.

"(f) EVALUATION AND ACCOUNTABILITY PLAN.—Each eligible partnership receiving a grant under this section shall develop an evaluation and accountability plan for activities assisted under this section that includes strong performance objectives. The plan shall include objectives and measures for—

"(1) increased participation by students in advanced courses in foreign language;

"(2) increased percentages of secondary school classes in foreign language taught by teachers with academic majors in foreign language; and

"(3) increased numbers of foreign language teachers who participate in content-based professional development activities.

"(g) REPORT.—Each eligible partnership receiving a grant under this section shall annually report to the Secretary regarding the eligible partnership's progress in meeting the performance objectives described in subsection (f).

"(h) TERMINATION.—If the Secretary determines that an eligible partnership is not making substantial progress in meeting the performance objectives described in sub-

section (f) by the end of the third year of a grant under this section, the grant payments shall not be made for the fourth and fifth years of the grant.

"(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 for each of the 4 succeeding fiscal years.".

SEC. 605. EVALUATION, OUTREACH, AND DISSEMINATION.

Part E of title VI, as redesignated by section 604 of this Act, is amended by inserting after section 641 (20 U.S.C. 1132 (as so redesignated)) the following new section:

"SEC. 642. EVALUATION, OUTREACH, AND DISSEMINATION.

"The Secretary may use not more than one percent of the funds made available for this title for program evaluation, national outreach, and information dissemination activities.".

SEC. 606. STUDENT SAFETY.

Part E of title VI, as redesignated by section 604 of this Act, is further amended by inserting after section 642 (as added by section 605 of this Act) the following new section:

"SEC. 643. STUDENT SAFETY.

"Applicants seeking funds under this title to support student travel and study abroad shall submit as part of their grant application a description of safety policies and procedures for students participating in the program while abroad.".

SEC. 607. SCIENCE AND TECHNOLOGY ADVANCED FOREIGN LANGUAGE EDUCATION GRANT PROGRAM.

Part E of title VI, as redesignated by section 604 of this Act, is further amended by inserting after section 643 (as added by section 606 of this Act) the following new section:

"SEC. 644. SCIENCE AND TECHNOLOGY ADVANCED FOREIGN LANGUAGE EDUCATION GRANT PROGRAM.

"(a) PURPOSE.—It is the purpose of this section to support programs in colleges and universities that—

"(1) encourage students to develop—

"(A) an understanding of science and technology; and

"(B) foreign language proficiency; and

"(2) foster future international scientific collaboration.

"(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.

"(c) REGULATIONS AND REQUIREMENTS.—The Secretary shall promulgate regulations for the awarding of grants under subsection (b). Such regulations shall 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; and

"(3) other programs, such as summer workshops, that emphasize the intense study of a foreign language and science technology.

"(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) SCIENCE.—In this section, the term 'science' means any of the natural and physical sciences including chemistry, biology, physics, and computer science. Such term does not include any of the social sciences.

"(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. 608. REPORTING BY INSTITUTIONS.

Part E of title VI (20 U.S.C. 1122), as redesignated by section 604 of this Act, is further amended by inserting after section 644 (as added by section 607 of this Act) the following new section:

"SEC. 645. 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 cash, or the fair market value, or both, of the contributions received from a foreign government or private sector corporation, foundation, or any other entity or individual (excluding domestic government entities) during any fiscal year exceeds $1,000,000 in the aggregate; and

"(2) the aggregate contribution is intended for use directly or indirectly by a center or program receiving funds under this title.

"(b) DATA REQUIRED.—The Secretary shall require of each institution to which this paragraph applies under subsection (a), as part of the Integrated Postsecondary Education Data System (IPEDS) annual data collection, that such institution report the following data:

"(1) The names and addresses of any foreign government or private sector corporation, foundation, or any other entity or individual that contributed such amount of cash or such fair market value of other property as described in subsection (a)(1).

"(2) The amount of such cash or the fair market value of such property.

"(c) EXEMPTION FROM REPORTING.—The Secretary may, at the request of the donor, exempt domestic donors who make anonymous donations from the institutional reporting requirement of subsection (b)(1) to preserve the anonymity of their contribution. The data of institutions shall identify such donors as 'anonymous'. This exemption does not apply to non-domestic donations.

"(d) DEADLINE.—Any report under subsection (b) shall be made no later than such date as the Secretary shall require.

"(e) CONSEQUENCES OF FAILURE TO REPORT.—In the case of any institution from which a report is requested under subsection (b), if the Secretary does not receive a report in accordance with the deadline established under subsection (d), the Secretary shall—

"(1) make a determination that the institution of higher education has failed to make the report required by this paragraph;

"(2) transmit a notice of the determination to Congress; and

"(3) publish in the Federal Register a notice of the determination and the effect of the determination on the eligibility of the institution of higher education for contracts and grants under this title.".

SEC. 609. FEDERAL FOREIGN LANGUAGE EDUCATION MARKETING CAMPAIGN.

The Secretary of Education shall establish a foreign language education marketing campaign to encourage students at secondary schools and institutions of higher education to study foreign languages, particularly languages that are less commonly taught and critical to the national security of the United States.

TITLE VII—TITLE VII AMENDMENTS

SEC. 701. JAVITS FELLOWSHIP PROGRAM.

(a) AUTHORITY AND TIMING OF AWARDS.—Section 701(a) (20 U.S.C. 1132a(a)) is amended by inserting after the second sentence the following: "For purposes of the exception in the preceding sentence, a master's degree in fine arts shall be considered a terminal degree.".

(b) INTERRUPTIONS OF STUDY.—Section 701(c) (20 U.S.C. 1134(c)) is amended by adding at the end the following new sentence: "In the case of other exceptional circumstances, such as active duty military service or personal or family member illness, the institution of higher education may also permit the fellowship recipient to interrupt periods of study for the duration of the tour of duty (in the case of military service) or not more than 12 months (in any other case), but without payment of the stipend.".

(c) ALLOCATION OF FELLOWSHIPS.—Section 702(a)(1) (20 U.S.C. 1134a(a)(1)) is amended—

(1) in the first sentence, by inserting "from diverse geographic regions" after "higher education"; and

(2) by adding at the end the following new sentence: "The Secretary shall also assure that at least one representative appointed to the Board represents an institution that is eligible for a grant under title III or V of this Act.".

(d) STIPENDS.—Section 703 (20 U.S.C. 1134b) is amended—

(1) in subsection (a)—

(A) by striking "1999–2000" and inserting "2009–2010"; and

(B) by striking "Foundation graduate fellowships" and inserting "Foundation Graduate Research Fellowship Program on February 1 of such academic year"; and

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

"(1) IN GENERAL.—(A) The Secretary shall (in addition to stipends paid to individuals under this subpart) pay to the institution of higher education, for each individual awarded a fellowship under this subpart at such institution, an institutional allowance. Except as provided in subparagraph (B), such allowance shall be, for academic year 2009–2010 and succeeding academic years, the same amount as the institutional payment made for academic year 2008–2009, adjusted for academic year 2009–2010 and annually thereafter in accordance with inflation as determined by the Department of Labor's Consumer Price Index for All Urban Consumers for the previous calendar year.".

(e) AUTHORIZATION OF APPROPRIATIONS.—Section 705 (20 U.S.C. 1134d) is amended by striking "1999" and inserting "2009".

SEC. 702. GRADUATE ASSISTANCE IN AREAS OF NATIONAL NEED.

(a) DESIGNATION OF AREAS OF NATIONAL NEED; PRIORITY.—Section 712 (20 U.S.C. 1135a) is amended—

(1) by amending subsection (b) to read as follows:

"(b) DESIGNATION OF AREAS OF NATIONAL NEED.—After consultation with appropriate Federal and nonprofit agencies and organizations, including the National Science Foundation, the Department of Defense, the Department of Homeland Security, the National Academy of Sciences, and the Bureau of Labor Statistics, the Secretary shall designate areas of national need. In making such designations, the Secretary shall take into consideration—

"(1) the extent to which the interest in the area is compelling;

"(2) the extent to which other Federal programs support postbaccalaureate study in the area concerned;

"(3) an assessment of how the program may achieve the most significant impact with available resources;

"(4) an assessment of current and future professional workforce needs of the United States; and

"(5) the priority described in subsection (c).'; and

(2) by adding at the end the following new subsection:

"(c) PRIORITY.—The Secretary shall establish a priority for grants in order to prepare individuals for the professorate who will train highly qualified elementary and secondary mathematics and science teachers, special education teachers, and teachers who provide instruction for limited English proficient individuals. Such grants shall offer program assistance and graduate fellowships for—

"(1) post baccalaureate study related to teacher preparation and pedagogy in mathematics and science for students who have completed a master's degree or are pursuing a doctorate of philosophy in mathematics or science;

"(2) post baccalaureate study related to teacher preparation and pedagogy in special education and English language acquisition and academic proficiency for limited English proficient individuals; and

"(3) support of dissertation research in the fields of mathematics, science, special education, or second language pedagogy and second language acquisition.".

(b) COLLABORATION REQUIRED FOR CERTAIN APPLICATIONS.—Section 713(b) (20 U.S.C. 1135b) is amended—

(1) by striking "and" at the end of paragraph (9);

(2) by redesignating paragraph (10) as paragraph (11); and

(3) by inserting after paragraph (9) the following new paragraph:

"(10) in the case of an application from a department, program, or unit in education or teacher preparation, provide assurances that such department, program, or unit will collaborate with departments, programs, or units in all content areas to ensure a successful combination of training in both teaching and such content; and".

(c) STIPENDS.—Section 714(b) (20 U.S.C. 1135c(b)) is amended—

(1) by striking "1999–2000" and inserting "2009–2010"; and

(2) by striking "Foundation graduate fellowships" and inserting "Foundation Graduate Research Fellowship Program on February 1 of such academic year".

(d) ADDITIONAL ASSISTANCE.—Section 715(a)(1) (20 U.S.C. 1135d(a)(1)) is amended—

(1) by striking "1999–2000" and inserting "2009–2010";

(2) by striking "1998–1999" and inserting "2008–2009"; and

(3) by inserting "for All Urban Consumers" after "Price Index".

(e) AUTHORIZATION OF APPROPRIATIONS.—Section 716 (20 U.S.C. 1135e) is amended by striking "1999" and inserting "2009".

(f) TECHNICAL AMENDMENTS.—Section 714(c) (20 U.S.C. 1135c(c)) is amended—

(1) by striking "section 716(a)" and inserting "section 715(a)"; and

(2) by striking "section 714(b)(2)" and inserting "section 713(b)(2)".

SEC. 703. THURGOOD MARSHALL LEGAL EDUCATIONAL OPPORTUNITY PROGRAM.

(a) PROGRAM AUTHORITY.—Section 721(a) (20 U.S.C. 1136(a)) is amended—

(1) by inserting "middle and high school" after "disadvantaged"; and

(2) by striking the period at the end of the sentence and inserting "and admission to law practice.".

(b) ELIGIBILITY.—Section 721(b) (20 U.S.C. 1136(b)) is amended by inserting "middle and high school or" before "college student".

(c) CONTRACT AND GRANT PURPOSES.—Section 721(c) (20 U.S.C. 1136(c)) is amended—

(1) by inserting "middle and high school students" after "identify" in paragraph (1);

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

"(2) to prepare such students for study at accredited law schools and assist them with the development of analytical skills and study methods to enhance their success and promote completion of law school;";

(3) by striking "and" at the end of paragraph (4);

(4) by striking the period at the end of paragraph (5) and inserting "; and"; and

(5) by adding at the end the following new paragraph:

"(6) to award Thurgood Marshall Fellowships to eligible law school students—

"(A) who participated in summer institutes authorized by subsection (d) and who are enrolled in an accredited law school; or

"(B) who are eligible law school students who have successfully completed a comparable summer institute program certified by the Council on Legal Educational Opportunity.".

(d) SERVICES PROVIDED.—Section 721(d)(1)(D) (20 U.S.C. 1136(d)(1)(D)) is amended by inserting "in analytical skills and study methods" after "courses".

(e) AUTHORIZATION OF APPROPRIATIONS.—Section 721(h) (20 U.S.C. 1136(h)) is amended by striking "1999" and inserting "2009".

(f) GENERAL PROVISIONS.—Subsection (e) of section 731 (20 U.S.C. 1137(e)) is repealed.

SEC. 704. PATSY T. MINK FELLOWSHIP PROGRAM.

Part A of title VII (20 U.S.C. 1134) is further amended—

(1) by redesignating subpart 4 as subpart 5;

(2) in the heading of section 731, by striking "**SUBPARTS 1, 2, AND 3**" and inserting "**SUBPARTS 1 THROUGH 4**";

(3) in subsections (a) and (b) of section 731, by striking "subparts 1, 2, and 3" each place it appears and inserting "subparts 1 through 4"; and

(4) in subsection (d) of such section, by striking "subpart 1, 2, or 3" and inserting "subpart 1, 2, 3, or 4"; and

(5) by inserting after subpart 3 the following new subpart:

"Subpart 4—Patsy T. Mink Fellowship Program

"SEC. 722. PATSY T. MINK FELLOWSHIPS.

"(a) PURPOSE; DESIGNATION.—

"(1) PURPOSE.—It is the purpose of this subpart to provide a program of fellowship awards to assist highly qualified minorities and women to acquire the terminal master's degree or the doctorate degree in academic areas in which such individuals are underrepresented for the purpose of entering the higher education professoriate.

"(2) ELIGIBLE INSTITUTIONS.—For purposes of this subpart, the term 'eligible institution' means an institution of higher education, or a consortium of such institutions, that offers a program of post baccalaureate study leading to a graduate degree.

"(3) DESIGNATION.—Each recipient of a fellowship award from an institution receiving a grant under this subpart shall be known as a Patsy T. Mink Graduate Fellow.

"(b) PROGRAM AUTHORIZED.—

"(1) GRANTS BY SECRETARY.—

"(A) IN GENERAL.—From funds made available under subsection (e), the Secretary shall make grants to eligible institutions of higher education to enable such institutions to make fellowship awards to qualified students in accordance with the provisions of this subpart.

"(B) PRIORITY CONSIDERATION.—In making grant awards under this subpart, the Secretary shall consider the applicant institution's prior experience in producing doctorates and terminal master's degree holders who are minorities and females, and shall give priority consideration in making grants under this subpart to those institutions with a demonstrated record of producing minorities and women who have earned such degrees.

"(2) DISTRIBUTION AND AMOUNTS OF GRANTS.—

"(A) EQUITABLE DISTRIBUTION.—In making such grants the Secretary shall, to the maximum extent feasible, ensure an equitable geographic distribution of awards and an equitable distribution among eligible public and private institutions of higher education that apply for grants under this subpart and that demonstrate the ability to achieve the purpose of this subpart.

"(B) SPECIAL RULE.—To the maximum extent practical, the Secretary shall award at least 50 percent of the amount appropriated under this subpart to institutions of higher education eligible for assistance under titles III and V, or to consortia composed of otherwise eligible institutions of higher education and such minority-serving institutions.

"(C) ALLOCATION.—In making such grants the Secretary shall, consistent with subparagraphs (A) and (B), allocate appropriated funds to those institutions whose applications indicate the 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 subpart. No grant made under this subpart shall support fewer than fifteen degree candidates consistent with subsection (d)(2).

"(D) REALLOTMENT.—Whenever the Secretary determines that an institution of higher education is unable to utilize all of the amounts made available to it under this subpart, the Secretary shall, on such dates during the fiscal year as the Secretary may determine, reallocate such unused amounts to institutions which demonstrate that they can use any reallocated grant funds to make fellowship awards to qualified individuals under this subpart.

"(c) APPLICATIONS.—

"(1) APPLICATIONS REQUIRED.—Any eligible institution of higher education offering a program of post baccalaureate study leading to a graduate degree that meets the purpose of this subpart may apply for a grant. Each such institution, or consortium of eligible institutions (including those institutions specified in subsection (b)(2)(B)) may make an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(2) SELECTION OF APPLICATIONS.—In selecting applications for the making grants to institutions of higher education, the Secretary shall—

"(A) take into account the number and distribution of minority and female faculty nationally, as well as the current and projected need for highly trained individuals—

"(i) in all areas of the higher education professoriate; and

"(ii) in academic career fields in which minorities and women are underrepresented in the higher education professoriate; and

"(B) consider the need to prepare a larger 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 faculties.

"(d) FELLOWSHIP TERMS AND CONDITIONS.—

"(1) SELECTION OF FELLOWS.—

"(A) ELIGIBLE APPLICANTS.—The Secretary shall assure that, in awarding fellowships from funds made available under this subpart, grantee institutions make fellowship awards to individuals who plan to pursue a career in instruction at any institution of higher education that is eligible to participate in title IV programs.

"(B) ACADEMIC PROGRESS.—Notwithstanding subparagraph (A), no otherwise eligible student selected for support shall receive a fellowship award—

"(i) during periods in which such student is enrolled, unless such student is maintaining satisfactory academic progress in, and devoting full-time to, study or research in the pursuit of the degree for which the fellowship support was awarded; or

"(ii) if the student 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 student's progress toward the appropriate degree.

"(2) SERVICE REQUIREMENT.—

"(A) TEACHING REQUIRED.—Each Patsy T. Mink Graduate Fellow who earns the doctoral or terminal master's degree with assistance provided under this subpart shall teach at an eligible institution for one year for each year of fellowship assistance received under this subpart.

"(B) INSTITUTIONAL OBLIGATION.—Each institution which receives an award from the Secretary under this subpart shall provide an assurance that it has inquired of and determined the fellowship recipient's decision to, within 3 years of receiving the doctorate or terminal master's degree, begin employment at an eligible institution of higher education as required by this subpart.

"(C) AGREEMENT REQUIRED.—Prior to receiving the initial fellowship award, and upon the annual renewal of the fellowship award, a fellow shall sign an agreement with the Secretary memorializing this commitment to enter the professoriate.

"(D) CONSEQUENCES OF FAILURE.—If a fellowship recipient fails to honor the service requirement of this subsection, the Secretary shall—

"(i) require the individual to repay all or the applicable portion of the total fellowship amount awarded to the individual by converting the balance due to a loan at the interest rate applicable to loans made under part B of title IV; or

"(ii) require the individual to pay an amount determined by the Secretary to be appropriate, except as provided in subparagraph (E).

"(E) MODIFIED SERVICE REQUIREMENT.—The Secretary may waive or modify the service requirement of this paragraph based on regulations, promulgated pursuant to and consistent with criteria which determine the circumstances under which compliance with the service obligation by the fellowship recipient would be inequitable and represent a substantial hardship. The Secretary may waive the service requirement if—

"(i) compliance by the fellowship recipient would be deemed impossible because the individual is permanently and totally disabled at the time of the waiver request; or

"(ii) compliance by the fellowship recipient is based on documentation presented to the Secretary of substantial economic or personal hardship, as determined in accordance with regulations prescribed by the Secretary.

"(3) AMOUNT OF FELLOWSHIP AWARDS.—

"(A) IN GENERAL.—From the grants made pursuant to this subpart, eligible institutions shall award stipends to individuals who are awarded fellowships under this subpart. Such stipends shall reflect the purpose of the program authorized by this subpart to encourage highly qualified minorities and women to pursue graduate study for the purpose of entering the higher education professoriate.

"(B) AWARDS BASED ON NEED.—Stipends 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 fellow's demonstrated need as determined by the institution of higher education where the graduate student is enrolled.

"(4) INSTITUTIONAL PAYMENTS.—

"(A) IN GENERAL.—The Secretary shall, in addition to the amounts made available to institutions for stipends to individuals under this subpart, pay to grantee institutions of higher education, for each individual awarded a fellowship under this subpart at such institution, an institutional allowance. Except as provided for in subparagraph (C), such allowance shall be, for academic year 2009–2010 and succeeding academic years, the same as the institutional payment made for that year under the Graduate Assistance in Areas of National Need program in subpart 2 of part A, and shall be adjusted annually thereafter in accordance with inflation as determined by the Department of Labor's Consumer Price Index for All Urban Consumers for the previous calendar year.

"(B) USE OF FUNDS.—Institutional payments may be expended at the discretion of the institution, except that such funds shall be used to provide academic support and career transition services for participating fellows.

"(C) REDUCTION.—The institutional allowance paid under subparagraph (A) shall be reduced by the amount the institution charges and collects from a fellowship recipient for tuition and other expenses as part of the institution's instructional program.

"(D) USE FOR OVERHEAD PROHIBITED.—Funds made available pursuant to this subpart may not be used for general operational overhead of the academic department or institution receiving such funds.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to appropriated to carry out this subpart such sums as may be necessary for fiscal year 2009 and for each of the 4 succeeding fiscal years.".

SEC. 705. FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION.

(a) CONTRACT AND GRANT PURPOSES.—Section 741(a) (20 U.S.C. 1138(a)) is amended—

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

"(1) the encouragement of the reform and improvement of, and innovation in, postsecondary education and the provision of educational opportunity for all, especially for the non-traditional student populations;";

(2) in paragraph (2), by inserting before the semicolon at the end the following: "for postsecondary students, especially institutions, programs, and joint efforts that provide academic credit for programs";

(3) by amending paragraph (3) to read as follows:

"(3) the establishment of institutions and programs based on the technology of communications, including delivery by distance education;";

(4) by amending paragraph (6) to read as follows:

"(6) the introduction of institutional reforms designed to expand individual opportunities for entering and reentering postsecondary institutions and pursuing programs of postsecondary study tailored to individual needs;";

(5) by striking "and" at the end of paragraph (7);

(6) by striking the period at the end of paragraph (8) and inserting a semicolon; and

(7) by adding at the end the following new paragraphs:

"(9) the assessment, in partnership with a public or private nonprofit institution or agency, of the performance of teacher preparation programs within institutions of higher education in a State, using an assessment which provides comparisons across such institutions within the State based upon indicators including teacher candidate knowledge in subject areas in which such candidate has been prepared to teach;

"(10) the support of efforts to establish pilot programs and initiatives to help college campuses reduce illegal downloading of copyrighted content, in order to improve the security and integrity of campus computer networks and save bandwidth costs;

"(11) the support of increased fire safety in student housing—

"(A) by establishing a demonstration incentive program for qualified student housing in institutions of higher education;

"(B) by making grants for the purpose of installing fire alarm detection, prevention, and protection technologies in student housing, dormitories, and other buildings controlled by such entities; and

"(C) by requiring, as a condition of such grants—

"(i) that such technologies be installed professionally to technical standards of the National Fire Protection Association; and

"(ii) that the recipient shall provide non-Federal matching funds in an amount equal to the amount of the grant;

"(12) the assessment, in partnership with a consortium of higher education organizations, of the feasibility and potential design of an inter-institution monitoring organization on gender and racial equality in campus faculty and administration;

"(13) the provision of support and assistance to partnerships between institutions of higher education and secondary schools with at least 10 percent of their enrollment assessed as late-entering limited English proficient students to establish programs that result in increased secondary school graduation rates of limited English proficient students and that increase the number of eligible late-entering limited English proficient students who pursue postsecondary education opportunities;

"(14) the provision of support and assistance for demonstration projects to provide comprehensive support services to ensure that homeless students, or students who were in foster care until the age of 18, enroll and succeed in postsecondary education, including providing housing to such students during periods when housing at the institution of higher education is closed or generally unavailable to other students;

"(15) the support of efforts to work with organizations that are exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 and institutions of higher education that seek to promote cultural diversity in the enter-

tainment media industry including through the training of students in production, marketing, and distribution of culturally relevant content; and

"(16) the creation of consortia that join diverse institutions of higher education to design and offer curricular and co-curricular interdisciplinary programs at the undergraduate and graduate levels, sustained for not less than a 5 year period, that—

"(A) focus on poverty and human capability; and

"(B) include—

"(i) a service-learning component; and

"(ii) the delivery of educational services through informational resource centers, summer institutes, mid-year seminars, and other educational activities that stress the effects of poverty and how poverty can be alleviated through different career paths.".

(b) SCHOLARSHIP PROGRAM FOR FAMILY MEMBERS OF VETERANS OR MEMBERS OF THE MILITARY; CENTER FOR BEST PRACTICES TO SUPPORT SINGLE PARENT STUDENTS.—Section 741 (20 U.S.C. 1138) is further amended by adding at the end the following new subsections:

"(c) SCHOLARSHIP PROGRAM FOR FAMILY MEMBERS OF VETERANS OR MEMBERS OF THE MILITARY.—

"(1) AUTHORIZATION.—The Secretary shall contract with a nonprofit organization with demonstrated experience in carrying out the activities described in this subsection to carry out a program to provide postsecondary education scholarships for eligible students.

"(2) ELIGIBLE STUDENTS.—In this subsection, the term 'eligible student' means an individual who is—

"(A)(i) a dependent student who is a child of—

"(I) an individual who is—

"(aa) serving on active duty during a war or other military operation or national emergency (as defined in section 481); or

"(bb) performing qualifying National Guard duty during a war or other military operation or national emergency (as defined in section 481); or

"(II) a veteran who died while serving or performing, as described in subclause (I), since September 11, 2001, or has been disabled while serving or performing, as described in subclause (I), as a result of such event; or

"(ii) an independent student who—

"(I) is a spouse of an individual who is—

"(aa) serving on active duty during a war or other military operation or national emergency (as defined in section 481); or

"(bb) performing qualifying National Guard duty during a war or other military operation or national emergency (as defined in section 481); or

"(II) was (at the time of the death of the veteran) a spouse of a veteran who died while serving or performing, as described in subclause (I), since September 11, 2001, or has been disabled while serving or performing, as described in subclause (I), as a result of such event; and

"(B) enrolled as a full-time or part-time student at an institution of higher education (as defined in section 102).

"(3) AWARDING OF SCHOLARSHIPS.—Scholarships awarded under this subsection shall be awarded based on need with priority given to eligible students who are eligible to receive Federal Pell Grants under subpart 1 of part A of title IV.

"(4) MAXIMUM SCHOLARSHIP AMOUNT.—The maximum scholarship amount awarded to an eligible student under this subsection for an academic year shall be the lesser of—

"(A) the difference between the eligible student's cost of attendance (as defined in section 472) and any non-loan based aid such student receives; or

"(B) $5,000.

"(5) AMOUNTS FOR SCHOLARSHIPS.—All of the amounts appropriated to carry out this subsection for a fiscal year shall be used for scholarships awarded under this subsection, except that a nonprofit organization receiving a contract under this subsection may use not more than 1 percent of such amounts for the administrative costs of the contract.

"(d) CENTER FOR BEST PRACTICES TO SUPPORT SINGLE PARENT STUDENTS.—

"(1) PROGRAM AUTHORIZED.—The Secretary is authorized to award 1 grant or contract to an institution of higher education to enable such institution to establish and maintain a center to study and develop best practices for institutions

of higher education to support single parents who are also students attending such institutions.

"(2) INSTITUTION REQUIREMENTS.—The Secretary shall award the grant or contract under this subsection to a 4-year institution of higher education that has demonstrated expertise in the development of programs to assist single parents who are students at institutions of higher education, as shown by the institution's development of a variety of targeted services to such students, including on-campus housing, child care, counseling, advising, internship opportunities, financial aid, and financial aid counseling and assistance.

"(3) CENTER ACTIVITIES.—The center funded under this section shall—

"(A) assist institutions implementing innovative programs that support single parents pursuing higher education;

"(B) study and develop an evaluation protocol for such programs that includes quantitative and qualitative methodologies;

"(C) provide appropriate technical assistance regarding the replication, evaluation, and continuous improvement of such programs; and

"(D) develop and disseminate best practices for such programs.".

(c) PROHIBITION.—Section 741 is further amended by adding after subsection (d) (as added by subsection (b) of this section) the following new subsection:

"(e) PROHIBITION.—No funds made available under this part may be used to provide financial assistance to students who do not meet the requirements of section 484(a)(5).".

(d) TECHNICAL AMENDMENTS.—Part B of title VII (20 U.S.C. 1038 et seq.) is further amended—

(1) in section 742 (20 U.S.C. 1138a)—

(A) in subsection (b)—

(i) by striking "(1) IN GENERAL.—"; and

(ii) by striking paragraph (2);

(B) in subsection (c), by striking "and the Director" each place it appears; and

(C) in subsection (d), by striking "Director" and inserting "Secretary";

(2) in section 743 (20 U.S.C. 1138b)—

(A) by striking "(a) TECHNICAL EMPLOYEES.—"; and

(B) by striking subsection (b); and

(3) in section 744(a) (20 U.S.C. 1138c(a)), by striking "Director" each place it appears and inserting "Secretary".

(e) AREAS OF NATIONAL NEED.—Section 744(c) (20 U.S.C. 1138c(c)) is amended by adding at the end the following:

"(5) Establishment of academic programs including graduate and undergraduate courses, seminars and lectures, support of research, and development of teaching materials for the purpose of supporting faculty and academic programs that teach traditional American history (including significant constitutional, political, intellectual, economic, diplomatic, and foreign policy trends, issues, and documents; the history, nature, and development of democratic institutions of which American democracy is a part; and significant events and individuals in the history of the United States).".

(f) AUTHORIZATION OF APPROPRIATIONS.—Section 745 (20 U.S.C. 1138d) is amended by striking "$30,000,000 for fiscal year 1999" and inserting "$40,000,000 for fiscal year 2009".

SEC. 706. URBAN-SERVING RESEARCH UNIVERSITIES.

Part C of title VII (20 U.S.C. 1139 et seq.) is amended to read as follows:

"PART C—URBAN-SERVING RESEARCH UNIVERSITIES

"SEC. 751. PURPOSE; PROGRAM AUTHORIZED.

"(a) PURPOSE.—It is the purpose of this part to provide incentives to urban-serving research universities to enable such universities to expand research knowledge and to develop and implement initiatives in partnership with community-based organizations and other public or nonprofit private entities to strengthen city economies, foster innovation and opportunity, and solve urban challenges.

"(b) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants to urban-serving research universities to enable such universities to carry out the activities described in section 753 in accordance with the provisions of this part.

"SEC. 752. APPLICATION FOR URBAN-SERVING RESEARCH UNIVERSITY GRANTS.

"(a) APPLICATION.—An urban-serving research university seeking assistance under this part shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(b) PRIORITY IN SELECTION OF APPLICATIONS.—The Secretary shall give priority to applications that propose to conduct joint projects supported by Federal, State, and local programs other than the program under this Act. In addition, the Secretary shall give priority to urban-serving research universities with a demonstrated record of effective engagement in serving the communities in which such universities are located.

"SEC. 753. ALLOWABLE ACTIVITIES.

"An urban-serving research university shall use funds awarded under this part to further develop and apply research findings to the development, implementation, and ongoing evaluation of—

"(1) systemic initiatives with elementary and secondary schools and other educational organizations designed to—

"(A) improve teacher quality and retention; or

"(B) develop strategies to improve postsecondary and workplace readiness, particularly in fields related to science, technology, engineering, and mathematics;

"(2) innovative economic revitalization efforts in conjunction with community-based organizations and other public or nonprofit private entities; or

"(3) public health outreach, education, and intervention activities designed to reduce health disparities in urban areas, in partnership with community-based organizations and other public or nonprofit private entities.

"SEC. 754. DEFINITIONS.

"As used in this part:

"(1) URBAN AREA.—The term 'urban area' means a city with a population of not less than 200,000 within a metropolitan statistical area.

"(2) URBAN-SERVING RESEARCH UNIVERSITY.—The term 'urban-serving research university' means a public institution of higher education that—

"(A) meets the requirements of section 101;

"(B) is located in an urban area;

"(C) has the capacity to conduct applicable research, as demonstrated by awarding more than 10 doctoral degrees per academic year;

"(D) draws a substantial portion of its students from the urban area in which such institution is located; and

"(E) has demonstrated and sustained a sense of responsibility to such urban area and the people of such area.

"SEC. 755. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part $50,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.".

SEC. 707. PROGRAMS TO ENSURE STUDENTS WITH DISABILITIES RECEIVE A QUALITY HIGHER EDUCATION.

(a) SERVING ALL STUDENTS WITH DISABILITIES.—Section 762(a) (20 U.S.C. 1140a(a)) is amended by striking "students with learning disabilities" and inserting "students with disabilities".

(b) AUTHORIZED ACTIVITIES.—

(1) AMENDMENT.—Section 762(b)(2) is amended—

(A) in subparagraph (A)—

(i) by inserting ", including methods and strategies consistent with the principles of universal design for learning" after "strategies"; and

(ii) by inserting "in order to improve retention and completion" after "disabilities";

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

(C) by inserting after subparagraph (A) the following new subparagraph:

"(B) EFFECTIVE TRANSITION PRACTICES.—The development of innovative, effective, and efficient teaching methods and strategies to ensure the smooth transition of students with disabilities from high school to postsecondary education."; and

(D) by inserting after subparagraph (C) (as redesignated by subparagraph (B) of this paragraph) the following new subparagraphs:

"(D) DISTANCE LEARNING.—The development of innovative, effective, and efficient teaching methods and strategies to provide faculty and administrators with the ability to provide accessible distance education programs or classes that would enhance access of students with disabilities to higher education, including the use of accessible electronic communication for instruction and advisement.

"(E) ACCESSIBILITY OF EDUCATION.—Making postsecondary education more accessible to students with disabilities through the use of accessible instructional materials and curriculum development, consistent with the principles of universal design for learning.".

(2) REPORT.—Section 762 is further amended by adding at the end the following new subsection:

"(d) REPORT.—Not later than 3 years after the date of enactment of the College Opportunity and Affordability Act of 2007, the Secretary shall prepare and disseminate a report reviewing the activities of the demonstration projects authorized under this subpart and providing guidance and recommendations on how successful projects can be replicated.".

(3) CONFORMING AMENDMENT.—Section 762(b)(3) is amended by striking "subparagraphs (A) through (C)" and inserting "subparagraphs (A) through (F)".

(c) APPLICATIONS.—Section 763 (20 U.S.C. 1140b) is amended—

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

"(1) a description of how such institution plans to address the activities allowed under this subpart;";

(2) in paragraph (2)—

(A) by striking "institution to develop" and inserting "institution, including students with disabilities, to develop"; and

(B) by striking "and" at the end;

(3) by striking the period at the end of paragraph (3) and inserting "; and"; and

(4) by adding at the end the following new paragraph:

"(4) a description of the extent to which an institution will work to replicate the best practices of institutions of higher education with demonstrated success in serving students with disabilities.".

(d) AUTHORIZATION OF APPROPRIATIONS FOR DEMONSTRATION PROJECTS TO ENSURE STUDENTS WITH DISABILITIES RECEIVE A QUALITY HIGHER EDUCATION.—Section 765 (20 U.S.C. 1140d) is amended by striking "1999" and inserting "2009".

(e) NATIONAL TECHNICAL ASSISTANCE CENTER; COMMISSION ON ACCESSIBLE MATERIALS; PROGRAMS TO SUPPORT IMPROVED ACCESS TO MATERIALS; TRANSITION PROGRAMS FOR STUDENTS WITH INTELLECTUAL DISABILITIES; COORDINATING CENTER.—Part D of title VII (20 U.S.C. 1140 et seq.) is further amended—

(1) in the part heading, by striking "**DEMONSTRATION PROJECTS**" and inserting "**PROGRAMS**";

(2) by inserting after the part heading the following:

"Subpart 1—Quality Higher Education"

; and

(3) by adding at the end the following:

"Subpart 2—National Technical Assistance Center; Commission on Accessible Materials; Programs To Support Improved Access to Materials

"SEC. 766. NATIONAL CENTER.

"(a) PURPOSE.—It is the purpose of this subpart to support the development of a national center to provide information and technical assistance for students with disabilities to improve the postsecondary recruitment, retention, and completion success rates of such students.

"(b) ESTABLISHMENT AND SUPPORT.—The Secretary shall, by grant, contract, or cooperative agreement with an eligible entity or partnership of two or more eligible entities, provide for the establishment and support of a National Center for Information and Technical Support for Postsecondary Students with Disabilities (hereinafter in this subpart referred to as the 'Center') which shall carry out the duties set forth in subsection (d).

"(c) ELIGIBLE ENTITY.—In this subpart, the term 'eligible entity' means an institution of higher education or a private nonprofit organization with demonstrated expertise in—

"(1) supporting postsecondary students with disabilities;

"(2) technical knowledge necessary for the accessible dissemination of information; and

"(3) working with a diverse range of types of institutions of higher education, including community colleges.

"(d) DUTIES.—The duties of the Center shall include the following:

"(1) ASSISTANCE TO STUDENTS AND FAMILIES.—The Center shall provide information and technical assistance to students with disabilities, their families, and disability support service personnel related to practices supporting students across a broad spectrum of disabilities, including—

"(A) information to assist prospective students with disabilities in planning their postsecondary academic career while they are in middle and secondary school;

"(B) research-based supports, services, and accommodations which are available in postsecondary settings, including services provided by other agencies such as vocational rehabilitation;

"(C) information on student mentoring and networking opportunities; and

"(D) successful recruitment and transition programs in existence in postsecondary institutions.

"(2) ASSISTANCE TO INSTITUTIONS OF HIGHER EDUCATION.—The 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—

"(A) collection and dissemination of promising practices and materials for accommodation and support of students with disabilities;

"(B) development and provision of training modules for higher education faculty on exemplary practices for accommodating and supporting students with disabilities across a range of academic fields; or

"(C) development of Internet-based tutorials for faculty, including graduate teaching assistants and new faculty, on promising practices related to support and retention of students with disabilities in postsecondary education.

"(3) INFORMATION COLLECTION AND DISSEMINATION.—The Center shall be responsible for building and maintaining a database of disability support services information with respect to institutions of higher education, which shall be available to the general public through a website built to the highest technical standards of accessibility currently practicable for the broad spectrum of individuals with disabilities. Such database and website shall include information on—

"(A) disability documentation requirements;

"(B) support services available;

"(C) links to financial aid;

"(D) accommodations policies;

"(E) accessible instructional materials;

"(F) other topics relevant to students with disabilities and prospective students with disabilities; and

"(G) the information in the report described in paragraph (5).

"(4) PROFESSIONAL STANDARDS FOR DISABILITY SUPPORT PERSONNEL.—The Center shall consolidate and disseminate information with respect to professional standards in existence for disability support services personnel and offices in institutions of higher education and shall convene a panel of experts to create and disseminate professional standards for such personnel and offices.

"(5) REVIEW AND REPORT.—The Center shall annually prepare and disseminate a report analyzing the current condition of postsecondary success for students with disabilities. Such report shall include—

"(A) a review of the activities of the programs authorized under ths part;

"(B) enrollment and graduation rates of students with disabilities in institutions of higher education;

"(C) guidance on how successful postsecondary supports and services for students with disabilities could be widely implemented at institutions of higher education;

"(D) guidance on how to reduce barriers to full participation for students with disabilities in higher education; and

"(E) a description of activities necessary to facilitate a substantial improvement in the postsecondary success of such students.

"(e) STAFFING OF THE CENTER.—The Center shall employ disability support personnel with proven expertise in providing training and technical assistance to practitioners. Such personnel shall provide technical assistance to individual colleges and universities seeking to provide appropriate supports and services to students with disabilities to improve enrollment, retention, and completion rates of such students.

"SEC. 766A. ESTABLISHMENT OF ADVISORY COMMISSION ON ACCESSIBLE INSTRUCTIONAL MATERIALS IN POSTSECONDARY EDUCATION FOR STUDENTS WITH DISABILITIES.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—The Secretary shall establish a commission to be known as the Advisory Commission on Accessible Instructional Materials in Postsecondary Education for Students with Disabilities, in this subpart referred to as the 'Commission'.

"(2) MEMBERSHIP.—

"(A) The Commission shall include one representative of each of the following:

"(i) Department of Education Office of Postsecondary Education.

"(ii) Department of Education Office of Special Education and Rehabilitative Services.

"(iii) Department of Education Office for Civil Rights.

"(iv) Library of Congress National Digital Information and Infrastructure Preservation Program Copyright Working Group.

"(v) Association on Higher Education and Disability.

"(vi) Association of American Publishers.

"(vii) Association of American University Presses.

"(viii) National Association of College Stores.

"(ix) National Council on Disability.

"(B) The Commission shall be composed of at least one but not more than two representatives, as appointed by the Secretary, of each of the following:

"(i) Staff from institutions of higher education with demonstrated experience teaching or supporting students with print disabilities, representing each of the following:

"(I) Large public institution of higher education.

"(II) Small public institution of higher education.

"(III) Large private institution of higher education.

"(IV) Small private institution of higher education.

"(V) Large community college.

"(VI) Small community college.

"(ii) Producers of materials in specialized formats, including each of the following:

"(I) Braille.

"(II) Audio or synthesized speech.

"(III) Digital media.

"(iii) Developers of accessibility and publishing software and supporting technologies.

"(iv) National organizations serving individuals with visual impairments that have demonstrated experience in technology evaluation research, academic publishing, production of material in accessible formats, and educational methodologies for such for individuals.

"(v) Postsecondary students with visual impairment.

"(vi) Postsecondary students with dyslexia or other learning disabilities related to reading.

"(vii) Attorneys with expertise in copyright law.

"(C) The Commission shall include at least two, but not more than three, representatives as appointed by the Secretary, of national membership organizations representing individuals with print disabilities, including each of the following:

"(i) Individuals with visual impairments.

"(ii) Individuals with learning disabilities related to reading.

"(D) The appointments of the members of the Commission shall be made not later than 45 days after the date of enactment of the College Opportunity and Affordability Act of 2007.

"(3) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

"(4) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold the Commission's first meeting.

"(5) MEETINGS.—The Commission shall meet at the call of the Chairperson. Meetings shall be publicly announced in advance and open to the public.

"(6) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

"(7) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall select a chairperson and vice chairperson from among the members of the Commission.

"(b) DUTIES OF THE COMMISSION.—

"(1) STUDY.—

"(A) IN GENERAL.—The Commission shall conduct a thorough study to assess the barriers, systemic issues, and technical solutions available which

may affect or improve the timely delivery and quality of accessible instructional materials for postsecondary students, faculty, and staff with print disabilities, and make recommendations related to the development of a comprehensive approach that will ensure that postsecondary students with print disabilities can access instructional materials in specialized formats in a timeframe comparable to the availability of standard instructional materials for students without disabilities.

"(B) EXISTING INFORMATION.—To the extent practicable, in carrying out the study under this paragraph, the Commission shall identify and use existing research, recommendations, and information from—

"(i) the Model Demonstration Programs to Support Improved Access to Postsecondary Instructional Materials for Students with Print Disabilities, as described in section 766B;

"(ii) the Advisory Council and the Technical Assistance and Development Centers of the National Instructional Materials Access Center;

"(iii) the Library of Congress National Digital Information and Infrastructure Preservation Program Copyright Working Group;

"(iv) the Association of Higher Education and Disabilities E-Text Solutions Working Group;

"(v) the Recording for the Blind and Dyslexic's Technology Advisory Committee;

"(vi) the Association of American Publishers Higher Education Division's Critical Issues Task Force; and

"(vii) other existing research related to the creation and distribution of accessible instructional materials for students with print disabilities.

"(C) RECOMMENDATIONS.—The Commission shall develop recommendations to be used to inform Federal regulation and legislation, to identify best practices for systems of creating, collecting, maintaining, processing, and disseminating materials in specialized formats to eligible students, faculty, and staff while providing adequate copyright protections. In developing such recommendations, the Commission shall consider—

"(i) how to ensure that students with print disabilities may obtain instructional materials in accessible formats within a timeframe comparable to the availability of materials for students without disabilities;

"(ii) the feasibility and technical parameters of establishing national standardized electronic file formats such as, but not limited to, the National Instructional Materials Accessibility Standard as defined in section 674(e)(3)(B) of the Individuals with Disabilities Education Act, to be provided by publishers of instructional materials to producers of specialized formats, institutions of higher education, and eligible students;

"(iii) the feasibility of the establishment of a national clearinghouse, repository, or file-sharing network for electronic files in specialized formats and files used in producing instructional materials in specialized formats, and a list of possible entities qualified to administer such a clearinghouse, repository, or network;

"(iv) the feasibility of including such a national clearinghouse, repository, or file-sharing network in the duties of the Center described in section 766;

"(v) market-based solutions involving collaborations between publishers of instructional materials, producers of specialized formats, and institutions of higher education, including—

"(I) barriers and opportunities to market entry;

"(II) unique concerns affecting university presses, small publishers, and solutions incorporating such works into a shared system; and

"(III) solutions utilizing universal design;

"(vi) solutions for low-incidence, high-cost requests for materials in specialized formats; and

"(vii) definitions of instructional materials, authorized entities, and eligible students.

"(2) REPORT.—Not later than 24 months after the first meeting, the Commission shall submit a report to the Secretary and to Congress that shall contain a detailed statement of the findings and conclusions of the Commission resulting from the study under subsection (a), together with the Commission's recommendations for such legislation and administrative actions as the Commission considers to be appropriate to implement the development of a comprehensive approach that will ensure that postsecondary students with print disabilities can access instructional materials in specialized formats in a timeframe

comparable to the availability of standard instructional materials for students without disabilities.

"(3) FACILITATION OF EXCHANGE OF INFORMATION.—In carrying out the study under subsection (a), the Commission shall, to the extent practicable, facilitate the exchange of information concerning the issues that are the subject of the study among—

"(A) officials of the Federal Government;

"(B) educators from Federal, State, and local institutions of higher education and secondary schools;

"(C) publishers of instructional materials;

"(D) producers of materials in specialized formats;

"(E) representatives from the community of individuals with print disabilities; and

"(F) participants in the Model Demonstration Programs to Support Improved Access to Postsecondary Instructional Materials for Students with Print Disabilities, as described in section 766B.

"(c) COMMISSION PERSONNEL MATTERS.—

"(1) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall serve without compensation. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

"(2) TRAVEL EXPENSES.—The members of the Commission shall be allowed 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.

"(3) STAFF.—

"(A) IN GENERAL.—The Chairperson of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform the Commission's duties. The employment of an executive director shall be subject to confirmation by the Commission.

"(B) COMPENSATION.—The Chairperson of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

"(4) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

"(5) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals that do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

"(d) TERMINATION OF THE COMMISSION.—The Commission shall terminate on the date that is 90 days after the date on which the Commission submits the Commission's report under subsection (b)(2).

"SEC. 766B. MODEL DEMONSTRATION PROGRAMS TO SUPPORT IMPROVED ACCESS TO POSTSECONDARY INSTRUCTIONAL MATERIALS FOR STUDENTS WITH PRINT DISABILITIES.

"(a) PURPOSE.—It is the purpose of this section to support model demonstration programs to encourage the development of systems to improve the timely delivery and quality of postsecondary instructional materials in specialized formats to students with print disabilities, including systems to improve efficiency and reduce duplicative efforts across multiple institutions of higher education.

"(b) IN GENERAL.—The Secretary shall, on a competitive basis, award grants to, and enter into cooperative agreements with, a minimum of one partnership of two or more eligible entities to support the activities described in subsections (d) and (e).

"(c) PARTNERSHIP OF ELIGIBLE ENTITIES.—In this section, a partnership of two or more eligible entities—

"(1) shall include—

"(A) an institution of higher education with demonstrated expertise in meeting the needs of students with print disabilities, including retention and completion of such students; and

"(B) a public or private entity with demonstrated expertise in working with the creation of accessible instructional materials in specialized formats for postsecondary students with print disabilities, and the technical development expertise necessary for the efficient dissemination of such materials, including procedures to protect against copyright infringement with respect to the creation, use, and distribution of print course materials in specialized formats; and

"(2) may include one or more publishers of instructional materials.

"(d) REQUIRED ACTIVITIES.—The Secretary shall support the development and implementation of the following:

"(1) Processes and systems to help identify, and verify eligibility of, postsecondary students with print disabilities in need of instructional materials in specialized formats.

"(2) Procedures and systems to facilitate and simplify request methods for accessible instructional materials in specialized formats from eligible students, which may include a single point-of-entry system.

"(3) Procedures and systems to coordinate between institutions of higher education, publishers of instructional materials, and entities that produce materials in specialized formats, to efficiently facilitate requests for such materials, the responses to such requests, and the delivery of such materials.

"(4) Delivery systems that will ensure the timely provision of instructional materials in specialized formats to eligible students, which may include electronic file distribution.

"(5) Systems to encourage reduction of duplicative conversions of the same instructional materials for multiple eligible students at multiple institutions of higher education when such conversions may be shared.

"(6) Procedures to protect against copyright infringement with respect to the creation, use, and distribution of instructional materials while maintaining accessibility for students with print disabilities, which may include digital technologies such as watermarking, fingerprinting, and other emerging strategies.

"(7) Awareness, outreach, and training activities for faculty, staff, and students related to the acquisition and dissemination of instructional materials in specialized formats and instructional materials utilizing universal design.

"(8) Evaluation of the effectiveness of the programs under this section.

"(9) Guidance on how successful procedures and systems described in paragraphs (1) through (7) could be disseminated and implemented on a national basis.

"(e) AUTHORIZED ACTIVITIES.—The Secretary may support the development and implementation of the following:

"(1) Approaches limited to instructional materials used in smaller categories of postsecondary courses, such as introductory, first-, and second-year courses.

"(2) Market-based approaches for making instructional materials in specialized formats directly available to eligible students at prices comparable to standard instructional materials.

"(3) Approaches supporting a unified search across multiple databases or lists of available materials.

"(f) APPLICATION.—A partnership of eligible entities that wishes to apply for a grant under this section shall submit an application for such grant at such time, in such manner and in such format as the Secretary may prescribe. The application shall include information on how the partnership will implement activities under subsection (d) and, as applicable, subsection (e).

"(g) PRIORITY.—In awarding grants under this section, the Secretary shall give priority consideration to any applications that include development and implementation of the procedures and systems described in subsection (e)(2) or (e)(3).

"(h) REPORT TO CONGRESS.—The Secretary shall submit annually to the authorizing committees a report that includes—

"(1) the number of grants and the amount of funds distributed under this section;

"(2) a summary of the purposes for which the grants were provided and an evaluation of the progress made under such grants;

"(3) a summary of the activities implemented under subsection (d) and, as applicable, subsection (e), including data on the number of students served and the number of instructional material requests executed and delivered in specialized formats; and

"(4) an evaluation of the effectiveness of programs funded under this section.

"(i) MODEL EXPANSION.—After 3 years, the Secretary shall review the results of the evaluations of participating partnerships, as well as the Commission report described in section 766A. If the Secretary finds that models used under this section are effective in improving the timely delivery and quality of materials in specialized formats and provide adequate protections against copyright infringement, the Secretary may expand the demonstration program to additional grantees reflecting regional and programmatic partnerships.

"(j) MODEL EXPANSION SPECIAL RULE.—The Commission's recommendations shall be submitted to the Secretary and a public comment period shall be issued prior to any expansion under subsection (i). No later than 90 days after close of public comment period, the Secretary shall issue guidance to new and existing grantees, taking into consideration the final Commission recommendations and public comments.

"(k) RULE OF CONSTRUCTION.—Nothing in this subpart shall be construed to limit or preempt any State law requiring the production or distribution of postsecondary instructional materials in accessible formats to students with disabilities.

"SEC. 766C. 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 4 succeeding fiscal years.

"Subpart 3—Transition Programs for Students With Intellectual Disabilities Into Higher Education; Coordinating Center

"SEC. 767. PURPOSE.

"The purpose of this subpart is to support model demonstration programs that promote the successful transition of students with intellectual disabilities into higher education.

"SEC. 768. DEFINITIONS.

"In this subpart:

"(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 is—

"(A) offered by an institution of higher education; and

"(B) is described in section 484(s)(3).

"(2) STUDENT WITH AN INTELLECTUAL DISABILITY.—The term 'student with an intellectual disability' means a student who meets the criteria described in paragraphs (1) through (4) of section 484(s).

"SEC. 769. MODEL COMPREHENSIVE TRANSITION AND POSTSECONDARY PROGRAMS FOR STUDENTS WITH INTELLECTUAL DISABILITIES.

"(a) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—The Secretary shall annually award grants, on a competitive basis, to institutions of higher education (or consortia of institutions of higher education), to create or expand high-quality, inclusive model comprehensive transition and postsecondary programs for students with intellectual disabilities.

"(2) 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) PREFERENCE.—In awarding grants under this section, the Secretary shall give preference to institutions of higher education (or consortia) that—

"(1) will carry out a model program under the grant in a State that does not already have a comprehensive transition and postsecondary program for students with intellectual disabilities; or

"(2) in the application submitted under subsection (b), agree to incorporate 1 or more of the following elements into the model programs carried out under the grant:

"(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 such housing.

"(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 carried out under the grant.

"(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, 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 770 in the evaluation of the model program;

"(6) partners with 1 or more local educational agencies to support the participation of students with intellectual disabilities in the model program who are still eligible for special education and related services under the Individuals with Disabilities Education Act, including regarding the utilization of funds available under part B of such Act for such students;

"(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 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, which may be provided in cash or in kind, in an amount not less than 25 percent of the amount of such grant funds.

"(f) REPORT.—Not later than 3 years after the date of enactment of the College Opportunity and Affordability Act of 2007, the Secretary shall prepare and disseminate a report to the authorizing committees and to the public that reviews the activities of the model comprehensive transition and postsecondary programs for students with intellectual disabilities authorized under this subpart and provides guidance and recommendations on how successful programs can be replicated.

"SEC. 770. COORDINATING CENTER FOR TECHNICAL ASSISTANCE, EVALUATION, AND DEVELOPMENT OF ACCREDITATION STANDARDS.

"(a) IN GENERAL.—

"(1) AWARD.—The Secretary shall, on a competitive basis, enter into a cooperative agreement with an eligible entity, for the purpose of establishing a coordinating center for technical assistance, evaluation, and development of accreditation standards for institutions of higher education that offer inclusive model comprehensive transition and postsecondary programs for students with intellectual disabilities.

"(2) DURATION.—The cooperative agreement under this section shall be for a period of 5 years.

"(b) REQUIREMENTS OF COOPERATIVE AGREEMENT.—The eligible entity entering into a cooperative agreement under this section shall establish and maintain a center that shall—

"(1) serve as the technical assistance entity for all model comprehensive transition and postsecondary programs for students with intellectual disabilities assisted under section 769;

"(2) provide technical assistance regarding the development, evaluation, and continuous improvement of such programs;

"(3) develop an evaluation protocol for such programs that includes qualitative and quantitative methodology measuring student outcomes and program strengths in the areas of academic enrichment, socialization, independent living, and competitive or supported employment;

"(4) assist recipients of grants under section 769 in efforts to award a meaningful credential to students with intellectual disabilities upon the completion of such programs, which credential takes into consideration unique State factors;

"(5) develop model criteria, standards, and procedures to be used in accrediting such programs that—

"(A) include, in the development of the model criteria, standards, and procedures for such programs, the participation of—

"(i) an expert in higher education;

"(ii) an expert in special education;

"(iii) a disability organization that represents students with intellectual disabilities; and

"(iv) a national, State, or regional accrediting agency or association recognized by the Secretary under subpart 2 of part H of title IV; and

"(B) define 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;

"(6) analyze possible funding streams for such programs and provide recommendations regarding funding streams;

"(7) develop model memoranda of agreement between institutions of higher education and agencies providing funding for such programs;

"(8) develop mechanisms for regular communication between the recipients of grants under section 769 regarding such programs; and

"(9) host a meeting of all recipients of grants under section 769 not less often than once each year.

"(c) DEFINITION OF ELIGIBLE ENTITY.—In this section, the term 'eligible entity' means an entity, or a partnership of entities, that has demonstrated expertise in the fields of higher education, students with intellectual disabilities, the development of comprehensive transition and postsecondary programs for students with intellectual disabilities, evaluation, and technical assistance.

"SEC. 770A. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated such sums as may be necessary to carry out this subpart for fiscal year 2009 and each of the 4 succeeding fiscal years.".

(f) CONFORMING AMENDMENTS.—Part D of title VII (20 U.S.C. 1140 et seq.) is further amended—

(1) in section 761, by striking "part" and inserting "subpart";

(2) in section 762 (as amended by subsection (a)), by striking "part" each place the term appears and inserting "subpart";

(3) in section 763, in the matter preceding paragraph (1), by striking "part" and inserting "subpart";

(4) in section 764, by striking "part" and inserting "subpart"; and

(5) in section 765, by striking "part" and inserting "subpart".

SEC. 708. SUBGRANTS TO NONPROFIT ORGANIZATIONS.

Section 771(e) (20 U.S.C. 1141(e)), as added by section 802 of the College Cost Reduction and Access Act of 2007, is amended by inserting after "of this Act)" the following: ", or those who have agreements with the Secretary under section 435(d)(5)(J)".

SEC. 709. NURSING EDUCATION.

Title VII (20 U.S.C. 1133 et seq.) is further amended by adding at the end the following new part:

"PART F—NURSING EDUCATION

"SEC. 776. ADDITIONAL CAPACITY FOR R.N. STUDENTS OR GRADUATE-LEVEL NURSING STUDENTS.

"(a) AUTHORIZATION.—The Secretary shall award grants to institutions of higher education that offer—

"(1) a R.N. nursing program at the baccalaureate or associate degree level to enable such program to expand the faculty and facilities of such program to accommodate additional R.N. nursing program students; or

"(2) a graduate-level nursing program to accommodate advanced practice degrees for Registered Nurses or to accommodate students enrolled in a graduate-level nursing program to provide teachers of nursing students.

"(b) DETERMINATION OF NUMBER OF STUDENTS AND APPLICATION.—Each institution of higher education that offers a program described in subsection (a) that desires to receive a grant under this section shall—

"(1) determine for the 4 academic years preceding the academic year for which the determination is made the average number of matriculated nursing program students at such institution for such academic years; and

"(2) submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require, including the average number determined under paragraph (1).

"(c) GRANT AMOUNT; AWARD BASIS.—

"(1) GRANT AMOUNT.—For each academic year after academic year 2008–2009, the Secretary is authorized to provide to each institution of higher education awarded a grant under this section an amount that is equal to $3,000 multiplied by the number of matriculated nursing program students at such institution for such academic year that is more than the average number determined with respect to such institution under subsection (b)(1). Such amount shall be used for the purposes described in subsection (a).

"(2) DISTRIBUTION OF GRANTS AMONG DIFFERENT DEGREE PROGRAMS.—

"(A) IN GENERAL.—Subject to subparagraph (B), from the funds available to award grants under this section for each fiscal year, the Secretary shall—

"(i) use 20 percent of such funds to award grants under this section to institutions of higher education for the purpose of accommodating advanced practice degrees or students in graduate-level nursing programs;

"(ii) use 40 percent of such funds to award grants under this section to institutions of higher education for the purpose of expanding R.N. nursing programs at the baccalaureate degree level; and

"(iii) use 40 percent of such funds to award grants under this section to institutions of higher education for the purpose of expanding R.N. nursing programs at the associate degree level.

"(B) DISTRIBUTION OF EXCESS FUNDS.—If, for a fiscal year, funds described in clause (i), (ii), or (iii) of subparagraph (A) remain available after the Secretary awards grants under this section to all applicants for the particular category of nursing programs described in such clause, the Secretary shall use equal amounts of the remaining funds to award grants under this section to applicants for the remaining categories of nursing programs.

"(C) EQUITABLE DISTRIBUTION.—In awarding grants under this section, the Secretary shall, to the extent practicable, ensure—

"(i) an equitable geographic distribution of the grants among the States; and

"(ii) an equitable distribution of the grants among different types of institutions of higher education.

"(d) PROHIBITION.—

"(1) USE OF FUNDS.—Funds provided under this section may not be used for the construction of new facilities.

"(2) RULE OF CONSTRUCTION.—Nothing in paragraph (1) shall be construed to prohibit funds provided under this section from being used for the repair or renovation of facilities.

"SEC. 777. NURSE FACULTY PILOT PROJECT.

"(a) PURPOSES.—The purposes of this section are to create a pilot program—

"(1) to provide scholarships to qualified nurses in pursuit of an advanced degree with the goal of becoming faculty members in an accredited nursing program; and

"(2) to provide grants to partnerships between accredited schools of nursing and hospitals or health facilities to fund release time for qualified nurse employees, so that those employees can earn a salary while obtaining an advanced degree in nursing with the goal of becoming nurse faculty.

"(b) ASSISTANCE AUTHORIZED.—

"(1) COMPETITIVE GRANTS AUTHORIZED.—The Secretary may, on a competitive basis, award grants to, and enter into contracts and cooperative agreements with, partnerships composed of an accredited school of nursing at an institution of higher education and a hospital or health facility to establish not more than 5 pilot projects to enable such hospital or health facility to retain its staff of experienced nurses while providing a mechanism to have such nurses become,

through an accelerated nursing education program, faculty members of an accredited school of nursing.

"(2) DURATION; EVALUATION AND DISSEMINATION.—

"(A) DURATION.—Grants under this section shall be awarded for a period of 3 to 5 years.

"(B) MANDATORY EVALUATION AND DISSEMINATION.—Grants under this section shall be primarily used for evaluation, and dissemination to other institutions of higher education, of the information obtained through the activities described in subsection (a)(2).

"(3) CONSIDERATIONS IN MAKING AWARDS.—In awarding grants and entering into contracts and cooperative agreements under this section, the Secretary shall consider the following:

"(A) GEOGRAPHIC DISTRIBUTION.—Providing an equitable geographic distribution of such grants.

"(B) RURAL AND URBAN AREAS.—Distributing such grants to urban and rural areas.

"(C) 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) PRIOR EXPERIENCE OR EXCEPTIONAL PROGRAMS.—The extent to which institutions of higher education have demonstrated prior experience in providing advanced nursing education programs to prepare nurses interested in pursuing a faculty role.

"(4) USES OF FUNDS.—Funds made available by grant, contract, or cooperative agreement under this section may be used—

"(A) to develop a new national demonstration initiative to align nursing education with the emerging challenges of healthcare delivery; and

"(B) for any one or more of the following innovations in educational programs:

"(i) To develop a clinical simulation laboratory in a hospital, health facility, or accredited school of nursing.

"(ii) To purchase distance learning technologies.

"(iii) To fund release time for qualified nurses enrolled in the graduate nursing program.

"(iv) To provide for faculty salaries.

"(v) To collect and analyze data on educational outcomes.

"(c) APPLICATIONS.—Each partnership desiring to receive a grant, contract, or cooperative agreement 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 assurances that—

"(1) the individuals enrolled in the program will be qualified nurses in pursuit of a master's or doctoral degree in nursing and have a contractual obligation with the hospital or health facility that is in partnership with the institution of higher education;

"(2) the hospital or health facility of employment will be the clinical site for the accredited school of nursing program;

"(3) individuals enrolled in the program will maintain their employment on a part-time basis with the hospital or health facility that allowed them to participate in the program, and will receive an income from the hospital or health facility, as a part-time employee, and release times or flexible schedules to accommodate their class schedule; and

"(4) upon completion of the program, such individuals will be required to teach for 2 years in an accredited school of nursing for each year of support the individual received under this program.

"(d) DEFINITION.—For purposes of this section, the term 'health facility' means an Indian Health Service center, a Native Hawaiian health center, a hospital, a federally qualified health center, a rural health clinic, a nursing home, a home health agency, a hospice program, a public health clinic, a State or local department of public health, a skilled nursing facility, or an ambulatory surgical center.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section not more than $10,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.".

SEC. 710. NATIONAL STUDY ON HIGHER EDUCATION ACCESS AND SUCCESS FOR STUDENTS WITH DISABILITIES.

(a) STUDY.—The Comptroller General shall conduct a study of the barriers to, and opportunities for, the full participation of students with disabilities in institutions of higher education. The study shall address—

(1) the extent to which, and manner in which, students with disabilities are—

(A) prepared to participate in postsecondary education upon enrollment;

(B) applying to different types of institutions of higher education;
(C) accepted into different types of institutions of higher education;
(D) enrolling in and attending different types of institutions of higher education;
(E) utilizing financial aid programs; and
(F) completing programs of study at different types of institutions of higher education;

(2) factors that influence the accessibility of higher education for a broad spectrum of students with different disabilities, including—
(A) physical access;
(B) communication and outreach in accessible formats, including websites, admissions information, financial aid information, and other general information;
(C) availability of accessible instructional materials in a timely manner;
(D) financial factors; and
(E) eligibility for, and ability to access, adequate support services;

(3) the effectiveness and capacity of disability support services in helping to recruit, retain, and support students with disabilities to complete their programs of study, and the role of disability support services relative to other departments in institutions of higher education, including—
(A) the number of staff working in disability support services offices;
(B) the budgets of disability support services offices; and
(C) the placement of the disability support services offices within the administrative structure of the institutions of higher education;

(4) the extent to which institutions of higher education provide assistance to students with disabilities to coordinate with, and receive services from, other support programs that may be available to such students, including services provided by local educational agencies, vocational rehabilitation agencies, Social Security, Medicaid, and other Federal, State, and local programs; and

(5) in institutions of higher education that have been effective in recruiting and graduating students with disabilities, the factors that may contribute to such effectiveness, including—
(A) faculty and staff preparation related to working with students with disabilities;
(B) program characteristics;
(C) accommodations and supports available; and
(D) any other relevant factors.

(b) REPORT.—The Comptroller General shall submit a report regarding the results of the study under subsection (a) to the authorizing committees (as defined in section 103 of the Higher Education Act of 1965 (20 U.S.C. 1003)) no later than 24 months after the date of the enactment of this Act.

TITLE VIII—ADDITIONAL PROGRAMS

SEC. 801. ADDITIONAL PROGRAMS.

The Higher Education Act of 1965 is further amended by adding at the end the following new title:

"TITLE VIII—ADDITIONAL PROGRAMS

"SEC. 800. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this title such sums as may be necessary for fiscal year 2009 and each of the 4 succeeding fiscal years.

"PART A—LOW TUITION

"SEC. 801. INCENTIVES AND REWARDS FOR LOW TUITION.

"(a) REWARDS FOR LOW TUITION.—

"(1) COMPETITIVE GRANTS.—From funds made available under section 800, the Secretary shall award grants on a competitive basis to institutions of higher education that, for academic year 2008–2009 or any succeeding academic year, have an annual net tuition increase (expressed as a percentage) for the most recent academic year for which satisfactory data is available that is equal to or less than the percentage change in the higher education price index for such academic year.

"(2) USE OF FUNDS.—Funds awarded to an institution of higher education under paragraph (1) shall be distributed by the institution in the form of need-based grant aid to students who are eligible for Federal Pell Grants, except that no student shall 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.

"(b) REWARDS FOR GUARANTEED TUITION.—

"(1) BONUS.—For each institution of higher education that the Secretary determines complies with the requirements of paragraph (2) or (3) of this subsection, the Secretary shall provide to such institution a bonus amount. Such institution shall award the bonus amount in the form of need-based aid first to students who are eligible for Federal Pell Grants who were in attendance at the institution during the award year that such institution satisfied the eligibility criteria for maintaining low tuition and fees, then to students who are eligible for Federal Pell Grants who were not in attendance at the institution during such award year.

"(2) 4-YEAR INSTITUTIONS.—An institution of higher education that provides a program of instruction for which it awards a bachelor's degree complies with the requirements of this paragraph if such institution guarantees that for any academic year (or the equivalent) beginning on or after July 1, 2008, and for each of the 4 succeeding continuous academic years, the net tuition charged to an undergraduate student will not exceed—

"(A) the amount that the student was charged for an academic year at the time he or she first enrolled in the institution of higher education, plus

"(B) the product of the percentage increase in the higher education price index for the prior academic year, or the most recent prior academic year for which data is available, multiplied by the amount determined under subparagraph (A).

"(3) LESS-THAN 4-YEAR INSTITUTIONS.—An institution of higher education that does not provide a program of instruction for which it awards a bachelor's degree complies with the requirements of this paragraph if such institution guarantees that for any academic year (or the equivalent) beginning on or after July 1, 2008, and for each of the 1.5 succeeding continuous academic years, the net tuition charged to an undergraduate student will not exceed—

"(A) the amount that the student was charged for an academic year at the time he or she first enrolled in the institution of higher education, plus

"(B) the product of the percentage increase in the higher education price index for the prior academic year, or the most recent prior academic year for which data is available, multiplied by the amount determined under subparagraph (A).

"(c) MAINTAINING AFFORDABLE TUITION.—

"(1) INSTITUTION REPORTS.—If an institution of higher education has an increase in annual net tuition (expressed as a percentage), for the most recent academic year for which satisfactory data is available, that is greater than the percentage increase in the higher education price index for such academic year, the institution or a representative association is required to submit to the Secretary the following information, within 6 months of such determination:

"(A) A report on the factors contributing to the increase in the institution's costs and the increase in net tuition and fees charged to students, including identification of the major areas in the institution's budget with the greatest cost increases.

"(B) The institution's 3 most recent Form 990s submitted to the Internal Revenue Service, as required under section 6033 of the Internal Revenue Code of 1986.

"(C) A description of the major areas of expenditures in the institution's budget with the greatest increase for such academic year.

"(D) A description of actions being taken by the institution to reduce net tuition.

"(2) REPORT TO CONGRESS.—The Secretary shall compile the information submitted under this subsection and shall provide to the authorizing committees an annual report relating to such information.

"(d) DEFINITIONS.—In this section:

"(1) NET TUITION.—The term 'net tuition' means the average tuition and fees charged to a full-time undergraduate student by an institution of higher education for an academic year, minus the average grant amount received by such a student for such academic year.

"(2) HIGHER EDUCATION PRICE INDEX.—The term 'higher education price index' means the higher education price index developed pursuant to section 133(b).

"PART B—COOPERATIVE EDUCATION

"SEC. 811. STATEMENT OF PURPOSE; DEFINITION.

"(a) PURPOSE.—It is the purpose of this part to award grants to institutions of higher education or combinations of such institutions to encourage such institutions to develop and make available to as many of their students as possible work experience that will aid such students in future careers and will enable such students to support themselves financially while in school.

"(b) DEFINITION.—In this part the term 'cooperative education' means the provision of alternating or parallel periods of academic study and public or private employment to give students work experiences related to their academic or occupational objectives and an opportunity to earn the funds necessary for continuing and completing their education.

"SEC. 812. RESERVATIONS.

"(a) RESERVATIONS.—Of the amount appropriated to carry out this part under section 800 in each fiscal year—

"(1) not less than 50 percent shall be available for awarding grants to institutions of higher education and combinations of such institutions described in section 813(a)(1)(A) for cooperative education under section 813;

"(2) not less than 25 percent shall be available for awarding grants to institutions of higher education described in section 813(a)(1)(B) for cooperative education under section 813;

"(3) not to exceed 11 percent shall be available for demonstration projects under paragraph (1) of section 814(a);

"(4) not to exceed 11 percent shall be available for training and resource centers under paragraph (2) of section 814(a); and

"(5) not to exceed 3 percent shall be available for research under paragraph (3) of section 814(a).

"(b) AVAILABILITY OF APPROPRIATIONS.—Appropriations under this part shall not be available for the payment of compensation of students for employment by employers under arrangements pursuant to this part.

"SEC. 813. GRANTS FOR COOPERATIVE EDUCATION.

"(a) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—The Secretary is authorized, from the amount available to carry out this part under section 800 in each fiscal year and in accordance with the provisions of this part—

"(A) to award grants to institutions of higher education or combinations of such institutions that have not received a grant under this paragraph in the 10-year period preceding the date for which a grant under this section is requested to pay the Federal share of the cost of planning, establishing, expanding, or carrying out programs of cooperative education by such institutions or combinations of institutions; and

"(B) to award grants to institutions of higher education that are operating an existing cooperative education program as determined by the Secretary to pay the cost of planning, establishing, expanding, or carrying out programs of cooperative education by such institutions.

"(2) PROGRAM REQUIREMENT.—Cooperative education programs assisted under this section shall provide alternating or parallel periods of academic study and of public or private employment, giving students work experience related to their academic or occupational objectives and the opportunity to earn the funds necessary for continuing and completing their education.

"(3) AMOUNT OF GRANTS.—

"(A) The amount of each grant awarded pursuant to paragraph (1)(A) to any institution of higher education or combination of such institutions in any fiscal year shall not exceed $500,000.

"(B)(i) Except as provided in clauses (ii) and (iii), the Secretary shall award grants in each fiscal year to each institution of higher education described in paragraph (1)(B) that has an application approved under subsection (b) in an amount which bears the same ratio to the amount reserved pursuant to section 812(a)(2) for such fiscal year as the number of unduplicated students placed in cooperative education jobs during the preceding fiscal year by such institution of higher education (other than cooperative education jobs under section 814 and as determined by the Secretary) bears to the total number of all such students placed in such jobs during the preceding fiscal year by all such institutions.

"(ii) No institution of higher education shall receive a grant pursuant to paragraph (1)(B) in any fiscal year in an amount which exceeds 25 percent

of such institution's cooperative education program's personnel and operating budget for the preceding fiscal year.

"(iii) The minimum annual grant amount which an institution of higher education is eligible to receive under paragraph (1)(B) is $1,000 and the maximum annual grant amount is $75,000.

"(4) LIMITATION.—The Secretary shall not award grants pursuant to paragraphs (1)(A) and (B) to the same institution of higher education or combination of such institution in any one fiscal year.

"(5) USES.—Grants under paragraph (1)(B) shall be used exclusively—

"(A) to expand the quality of and participation in a cooperative education program;

"(B) for outreach in new curricular areas; and

"(C) for outreach to potential participants including underrepresented and nontraditional populations.

"(b) APPLICATIONS.—Each institution of higher education or combination of such institutions desiring to receive a grant under this section shall submit an application to the Secretary at such time and in such manner as the Secretary shall prescribe. Each such application shall—

"(1) set forth the program or activities for which a grant is authorized under this section;

"(2) specify each portion of such program or activities which will be performed by a nonprofit organization or institution other than the applicant, and the compensation to be paid for such performance;

"(3) provide that the applicant will expend during the fiscal year for which the grant is awarded for the purpose of such program or activities not less than the amount expended for such purpose during the previous fiscal year;

"(4) describe the plans which the applicant will carry out to assure, and contain a formal statement of the institution's commitment which assures, that the applicant will continue the cooperative education program beyond the 5-year period of Federal assistance described in subsection (c)(1) at a level which is not less than the total amount expended for such program during the first year such program was assisted under this section;

"(5) provide that, in the case of an institution of higher education that provides a 2-year program which is acceptable for full credit toward a bachelor's degree, the cooperative education program will be available to students who are certificate or associate degree candidates and who carry at least one-half of the normal full-time academic workload;

"(6) provide that the applicant will—

"(A) make such reports as may be necessary to ensure that the applicant is complying with the provisions of this section, including reports for the second and each succeeding fiscal year for which the applicant receives a grant with respect to the impact of the cooperative education program in the previous fiscal year, including—

"(i) the number of unduplicated student applicants in the cooperative education program;

"(ii) the number of unduplicated students placed in cooperative education jobs;

"(iii) the number of employers who have hired cooperative education students;

"(iv) the income for students derived from working in cooperative education jobs; and

"(v) the increase or decrease in the number of unduplicated students placed in cooperative education jobs in each fiscal year compared to the previous fiscal year; and

"(B) keep such records as may be necessary to ensure that the applicant is complying with the provisions of this part, including the notation of cooperative education employment on the student's transcript;

"(7) describe the extent to which programs in the academic disciplines for which the application is made have had a favorable reception by public and private sector employers;

"(8) describe the extent to which the institution is committed to extending cooperative education on an institution-wide basis for all students who can benefit;

"(9) describe the plans that the applicant will carry out to evaluate the applicant's cooperative education program at the end of the grant period;

"(10) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the applicant under this part;

"(11) demonstrate a commitment to serving all underserved populations at the institution; and

"(12) include such other information as may be necessary to carry out the provisions of this part.

"(c) DURATION OF GRANTS; FEDERAL SHARE.—

"(1) DURATION OF GRANTS.—No individual institution of higher education may receive, individually or as a participant in a combination of such institutions—

"(A) a grant pursuant to subsection (a)(1)(A) for more than 5 fiscal years; or

"(B) a grant pursuant to subsection (a)(1)(B) for more than 5 fiscal years.

"(2) FEDERAL SHARE.—The Federal share of a grant under subsection (a)(1)(A) may not exceed—

"(A) 85 percent of the cost of carrying out the program or activities described in the application in the first year the applicant receives a grant under this section;

"(B) 70 percent of such cost in the second such year;

"(C) 55 percent of such cost in the third such year;

"(D) 40 percent of such cost in the fourth such year; and

"(E) 25 percent of such cost in the fifth such year.

"(3) SPECIAL RULE.—Any provision of law to the contrary notwithstanding, the Secretary shall not waive the provisions of this subsection.

"(d) MAINTENANCE OF EFFORT.—If the Secretary determines that a recipient of funds under this section has failed to maintain the fiscal effort described in subsection (b)(3), then the Secretary may elect not to make grant payments under this section to such recipient.

"(e) FACTORS FOR SPECIAL CONSIDERATION OF APPLICATIONS.—

"(1) IN GENERAL.—In approving applications under this section, the Secretary shall give special consideration to applications from institutions of higher education or combinations of such institutions for programs which show the greatest promise of success because of—

"(A) the extent to which programs in the academic discipline with respect to which the application is made have had a favorable reception by public and private sector employers;

"(B) the strength of the commitment of the institution of higher education or combination of such institutions to cooperative education as demonstrated by the plans and formalized institutional commitment statement which such institution or combination has made to continue the program after the termination of Federal financial assistance;

"(C) the extent to which the institution or combination of institutions is committed to extending cooperative education for all students who can benefit; and

"(D) such other factors as are consistent with the purposes of this section.

"(2) ADDITIONAL SPECIAL CONSIDERATION.—The Secretary shall also give special consideration to applications from institutions of higher education or combinations of such institutions which demonstrate a commitment to serving all underserved populations attending such institutions.

"SEC. 814. DEMONSTRATION AND INNOVATION PROJECTS; TRAINING AND RESOURCE CENTERS; AND RESEARCH.

"(a) AUTHORIZATION.—The Secretary is authorized, in accordance with the provisions of this section, to make grants and enter into contracts—

"(1) from the amounts available in each fiscal year under section 812(a)(3), for the conduct of demonstration projects designed to demonstrate or determine the feasibility or value of innovative methods of cooperative education;

"(2) from the amounts available in each fiscal year under section 812(a)(4), for the conduct of training and resource centers designed to—

"(A) train personnel in the field of cooperative education;

"(B) improve materials used in cooperative education programs if such improvement is conducted in conjunction with other activities described in this paragraph;

"(C) furnish technical assistance to institutions of higher education to increase the potential of the institution to continue to conduct a cooperative education program without Federal assistance;

"(D) encourage model cooperative education programs which furnish education and training in occupations in which there is a national need;

"(E) support partnerships under which an institution carrying out a comprehensive cooperative education program joins with one or more institutions of higher education in order to (i) assist the institution that is not the institution carrying out the cooperative education program to develop and

expand an existing program of cooperative education, or (ii) establish and improve or expand comprehensive cooperative education programs; and

"(F) encourage model cooperative education programs in the fields of science and mathematics for women and minorities who are underrepresented in such fields; and

"(3) from the amounts available in each fiscal year under section 812(a)(5), for the conduct of research relating to cooperative education.

"(b) ADMINISTRATIVE PROVISION.—

"(1) IN GENERAL.—To carry out this section, the Secretary may—

"(A) make grants to or contracts with institutions of higher education, or combinations of such institutions; and

"(B) make grants to or contracts with other public or private nonprofit agencies or organizations, whenever such grants or contracts will make an especially significant contribution to attaining the objectives of this section.

"(2) LIMITATION.—

"(A) The Secretary may not use more than 3 percent of the amount appropriated to carry out this section in each fiscal year to enter into contracts described in paragraph (1)(A).

"(B) The Secretary may use not more than 3 percent of the amount appropriated to carry out this section in each fiscal year to enter into contracts described in paragraph (1)(B).

"(c) SUPPLEMENT NOT SUPPLANT.—A recipient of a grant or contract under this section may use the funds provided only so as to supplement and, to the extent possible, increase the level of funds that would, in the absence of such funds, be made available from non-Federal sources to carry out the activities supported by such grant or contract, and in no case to supplant such funds from non-Federal sources.

"PART C—COLLEGE PARTNERSHIP GRANTS

"SEC. 821. COLLEGE PARTNERSHIP GRANTS AUTHORIZED.

"(a) GRANTS AUTHORIZED.—From the amount appropriated to carry out this part under section 800, the Secretary shall award grants to eligible partnerships for the purposes of developing and implementing articulation agreements.

"(b) ELIGIBLE PARTNERSHIPS.—For purposes of this part, an eligible partnership shall include at least two institutions of higher education, or a system of institutions of higher education, and may include either or both of the following:

"(1) A consortia of institutions of higher education.

"(2) A State higher education agency.

"(c) PRIORITY.—The Secretary shall give priority to eligible partnerships that—

"(1) are located in a State that is in compliance with section 486A; or

"(2) include—

"(A) 1 or more junior or community colleges (as defined by section 312(f) of this Act) that award associate's degrees; and

"(B) 1 or more institutions of higher education that offer a baccalaureate or post baccalaureate degree not awarded by the institutions described in subparagraph (A) with which it is partnered.

"(d) MANDATORY USE OF FUNDS.—Grants awarded under this part shall be used for—

"(1) the development of policies and programs to expand opportunities for students to earn bachelor's degrees, by facilitating the transfer of academic credits between institutions and expanding articulation and guaranteed transfer agreements between institutions of higher education, including through common course numbering and general education core curriculum;

"(2) academic program enhancements; and

"(3) programs to identify and remove barriers that inhibit student transfers, including technological and informational programs.

"(e) OPTIONAL USE OF FUNDS.—Grants awarded under this part may be used for—

"(1) support services to students participating in the program, such as tutoring, mentoring, and academic and personal counseling; and

"(2) any service that facilitates the transition of students between the partner institutions.

"(f) PROHIBITION.—No funds provided under this section shall be used to financially compensate an institution for the purposes of entering into an articulation agreement or for accepting students transferring into such institution.

"(g) APPLICATIONS.—Any eligible partnership that desires to obtain a grant under this section shall submit to the Secretary an application at such time, in such manner, and containing such information or assurances as the Secretary may require.

"(h) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out this section.

"(i) DEFINITION.—For purposes of this section, the term 'articulation agreement' means an agreement between institutions of higher education that specifies the acceptability of courses in transfer toward meeting specific degree requirements.

"PART D—STUDENT SUCCESS GRANTS

"SEC. 826. STUDENT SUCCESS GRANTS.

"(a) AUTHORIZATION OF PILOT PROGRAM.—From the amount appropriated to carry out this part under section 800, the Secretary is authorized to award grants on a competitive basis to eligible institutions for the purposes of helping low-income students succeed in persisting in and completing postsecondary education and training programs.

"(b) DEFINITIONS.—

"(1) ELIGIBLE INSTITUTION.—In this section, the term 'eligible institution' means an institution of higher education in which, during the three-year period preceding the year in which the institution is applying for a grant under this section, an average of not less than 50 percent of the institution's entering first-year students are enrolled in developmental courses to bring reading, writing, or mathematics skills up to college-level.

"(2) ELIGIBLE STUDENT.—In this section, the term 'eligible student' means a student who—

"(A) is eligible to receive assistance under section 401;

"(B) is a first-year student at the time of entering the pilot program; and

"(C) is selected by an eligible institution to participate in the pilot program.

"(c) APPLICATION.—An eligible institution 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.

"(d) STUDENT SUCCESS GRANT AMOUNT.—For an award year, each institution selected to participate in this pilot program shall receive an amount equal to $1,500 multiplied by the number of students the institution selects to participate in the pilot program in such year. An institution shall not select more than 200 students to participate in the pilot program under this section during such year.

"(e) PRIORITY FOR REPLICATION OF EVIDENCE-BASED POLICIES AND PRACTICES.—The Secretary shall give priority to applications submitted by eligible institutions that propose to replicate policies and practices that have proven effective in increasing persistence and completion by low-income students or students in need of developmental education.

"(f) PEER REVIEW.—The Secretary shall convene a peer review process 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 include researchers and practitioners who are recognized experts on services and policies to increase low income student success in postsecondary education and training. No member of the committee shall be in a position to benefit financially from the grants to eligible institutions under subsection (d).

"(g) MANDATORY USES.—An eligible institution that receives a grant under this section shall use the grant funds to assign a Student Success Coach to every first-year student participating in the pilot program to provide intensive career and academic advising, ongoing personal help in navigating college services such as financial aid and registration, and assistance in connecting to community resources that can help students overcome family and personal challenges to success. Student Success Coaches—

"(1) shall work with not more than 50 new students during any academic period;

"(2) may be employees of academic departments, student services offices, community-based organizations, or other entities as deemed appropriate by the institution; and

"(3) shall meet with each eligible student selected for the pilot program before registration for courses.

"(h) PERMISSIBLE USES.—An eligible institution that receives a grant under this section may use the grant funds to provide services and program innovations for students participating in the pilot, including the following:

"(1) College and career success courses, with tuition and fees for the course covered by the Student Success Grant. These courses may cover college success topics, including how to take notes, how to study, how to take tests, and how to budget time, and may also include a substantial career exploration compo-

nent. Institutions may use such courses to help students develop a College and Career Success Plan so that by the end of the first semester the students have a clear sense of their career goals and what classes to take to achieve such goals.

"(2) Work-study jobs with private employers in the students' fields of study.

"(3) Learning communities that ensure that students participating in the pilot are clustered together for at least two courses beginning in the first semester after enrolling and have other opportunities to create and maintain bonds that allow them to provide academic and social support to each other.

"(4) Curricular redesign, which may include such innovations as 'blended' or accelerated remediation classes that help Student Success Grant recipients to attain college-level reading, writing, math skills (or a combination thereof) more rapidly than traditional remediation formats allow, and intensive skills refresher classes, offered prior to each semester, to help students who have tested into remedial coursework to reach entry level assessment scores for the postsecondary programs they wish to enter.

"(5) Instructional support, such as learning labs, supplemental instruction, and tutoring.

"(6) Assistance with support services, such as child care and transportation.

"(i) GRANT PERIOD; ADDITIONAL TECHNICAL ASSISTANCE.—

"(1) GRANT PERIOD.—Grants made under this section shall be for a period of not less than 60 months.

"(2) ADDITIONAL TECHNICAL ASSISTANCE.—After 36 months, the Secretary shall review the performance of the Student Success Grant pilot program students at each institution, and if no significant improvements have been made by Student Success Grant pilot program students in persistence and completion at an institution, then the Secretary shall provide additional technical assistance to help the institution improve outcomes.

"(j) REQUIRED NON-FEDERAL SHARE.—

"(1) IN GENERAL.—Each institution participating in the pilot program under this section shall provide a non-Federal match of 25 percent of the amount of grant to carry out the activities of the pilot program. The non-Federal share under this section may be provided in cash or in kind.

"(2) EFFECT ON NEED ANALYSIS.—For the purpose of calculating a student's need in accordance with part F of this title, services or benefits under this section shall not be considered to be an asset or income of the student or the students parents.

"(k) TECHNICAL ASSISTANCE.—The Secretary shall enter into contracts with private entities to provide such technical assistance to grantees under this section as the Secretary determines appropriate.

"(l) EVALUATION.—

"(1) OUTCOME EVALUATIONS.—The Secretary shall conduct an evaluation of program outcomes under the pilot program, and shall disseminate to the public the findings from the evaluation and information on best practices. The Secretary is encouraged to partner with other providers of funds, such as private foundations, to allow for use of an experimental or quasi-experimental evaluation in at least one of the pilot program sites.

"(2) INSTITUTIONAL PARTICIPATION.—As a condition of receiving grants under this section, participating institutions shall work with the evaluator to track persistence and completion outcomes for students in the pilot program, specifically the proportion of these students who take and complete developmental education courses, the proportion who take and complete college-level coursework, and the proportion who complete certificates and degrees. This data shall be broken down by race, ethnicity, and age and the evaluator shall assist institutions in analyzing this data to compare Student Success Grant pilot program participants to comparable nonparticipants, using statistical techniques to control for differences in the groups.

"(3) ANNUAL REPORTS.—Participating institutions under this section shall report on the data specified in paragraph (2) annually and the Secretary shall make this data publicly available.

"PART E—JOBS TO CAREERS

"SEC. 831. GRANTS TO CREATE BRIDGES FROM JOBS TO CAREERS.

"(a) AUTHORIZATION OF PROGRAM.—From amounts appropriated to carry out this part under section 800, the Secretary shall award grants, on a competitive basis, to institutions of higher education for the purposes of improving developmental education, including English language instruction, by customizing developmental edu-

cation to student career goals, and helping students move rapidly from developmental coursework into for-credit occupational program courses and through program completion. The grants under this section shall focus in particular on creating bridges to for-credit occupational certificate programs that are articulated to degree programs.

"(b) APPLICATION.—An eligible institution 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.

"(c) PRIORITIES.—The Secretary shall give priority to applications that—

"(1) are from institutions of higher education in which not less than 50 percent of the institution's entering first-year students who are subject to mandatory assessment, are assessed as needing developmental courses to bring reading, writing, or mathematics skills up to college-level; and

"(2) propose to replicate practices that have proven effective with adults or propose to collaborate with adult education providers.

"(d) PEER REVIEW.—The Secretary shall convene a peer review process to review applications for grants under this section and to make recommendations to the Secretary regarding the selection of grantees.

"(e) MANDATORY ACTIVITY.—An eligible institution that receives a grant under this section shall use the grant funds to create workforce bridge programs that customize developmental education curricula, including English language instruction, to the content of the for-credit occupational certificate or degree programs, or clusters of such programs, in which developmental education students seek to enroll. Such bridge programs may include those that integrate the curricula and the instruction of both developmental and college-level coursework or that dually enroll students in remediation and college-level coursework.

"(f) PERMISSIBLE ACTIVITIES.—An eligible institution that receives a grant under this section, in addition to creating workforce bridge programs, may use the grant funds to carry out the following:

"(1) Design and implement innovative ways to improve retention in and completion of developmental education courses, including enrolling students in cohorts, accelerating course content, integrating remediation and college-level curricula and instruction, dually enrolling students in developmental and college-level courses, tutoring, providing counseling and other supportive services, and giving small, material incentives for attendance and performance.

"(2) In consultation with faculty in the appropriate departments, redesignating class schedules to meet the needs of working adults, such as by creating evening, weekend, modular, compressed, distance-learning formats, or other alternative schedules.

"(3) Improving the quality of teaching in remedial courses through professional development, reclassification of such teaching positions, or other means the eligible institution determines appropriate.

"(4) Any other activities the eligible institution and the Secretary determine will promote retention of, and completion by, students attending institutions of higher education.

"(5) Fully advise students on the range of options and programs available, which may include: diploma; certification; 2-year degree; associate's degree; transfer degree to upper division; and career options.

"(g) GRANT PERIOD.—Grants made under this section shall be for a period of not less than 36 months and not more than 60 months.

"(h) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to grantees under this section throughout the grant period.

"(i) EVALUATION.—The Secretary shall conduct an evaluation of program impacts under the demonstration program, and shall disseminate to the public the findings from the evaluation and information on best practices. The Secretary is encouraged to partner with other providers of funds, such as private foundations, to allow for use of a random assignment evaluation in at least one of the demonstration sites.

"(j) DEFINITION OF INSTITUTION.—In this section, the term 'institution of higher education' means an institution of higher education as defined in section 101(a).

"PART F—PROJECT GRAD

"SEC. 836. PROJECT GRAD.

"(a) PURPOSES.—The purposes of this part are—

"(1) to provide support and assistance to programs implementing integrated education reform services in order to improve secondary school graduation and college attendance and completion rates for disadvantaged students; and

"(2) to promote the establishment of new programs to implement such integrated education reform services.

"(b) GRANT AUTHORIZED.—From the amount appropriated to carry out this part under section 800, the Secretary is authorized to award a grant to Project GRAD USA (referred to in this part as the 'grantee'), a nonprofit educational organization that has as its primary purpose the improvement of secondary school graduation and college attendance and completion rates for disadvantaged students, to implement and sustain the integrated education reform services described in subsection (d)(3) at existing Project GRAD program sites and to promote the expansion of such programs to new sites.

"(c) REQUIREMENTS OF GRANT AGREEMENT.—The Secretary shall enter into an agreement with the grantee that requires that the grantee shall—

"(1) enter into subcontracts with nonprofit educational organizations that serve a substantial number or percentage of low-income students (referred to in this part as 'subcontractors'), under which the subcontractors agree to implement the programs described in subsection (d) 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 college access programs further described in subsection (d)(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 but not limited to activities to further articulate a program for one or more grade levels and across grade levels, to tailor a program for a particular target audience, and 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 college attendance rates for disadvantaged students; and

"(F) other activities directly related to improving secondary school graduation and college attendance and completion rates for disadvantaged students; and

"(3) use grant funds available under this part to pay—

"(A) the amount determined under subsection (f)(1); and

"(B) costs associated with carrying out the activities and providing the services, as provided in paragraph (2) of this subsection.

"(d) SUPPORTED PROGRAMS.—

"(1) DESIGNATION.—The subcontractor programs referred to in subsection (c)(1) 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 grantee—

"(A) identify or establish not less than one 'feeder pattern' of public schools, where 'feeder pattern' is defined as a high school and the elementary schools and middle schools that channel students into that high school; and

"(B) provide the integrated educational reform services described in paragraph (3) at the identified feeder pattern or feeder patterns.

"(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 college access program that includes—

"(i) providing college scholarships for students who meet established criteria;

"(ii) proven approaches for increasing student and family college awareness; and

"(iii) assistance for such students in applying for higher education financial aid; and

"(D) such other services identified by the grantee as necessary to increase secondary school graduation and college attendance and completion rates.

"(e) USE OF FUNDS.—Of the funds made available to carry out this part under section 800, not more than 8 percent of such funds, or $4,000,000, whichever is less,

shall be used by the grantee to pay for administration of the grant, with the remainder of funds to be used for the purposes described in subsections (c)(1) and (2).

"(f) GRANTEE CONTRIBUTION AND MATCHING REQUIREMENT.—

"(1) IN GENERAL.—The grantee shall provide to each subcontractor an average of $200 for each pupil served by the subcontractor in the Project GRAD program, adjusted to take into consideration—

"(A) the resources available in the area where the subcontractor will implement the Project GRAD program; and

"(B) the need for Project GRAD programs in such area to improve student outcomes.

"(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 grantee. Such matching funds may be provided in cash or in kind, fairly evaluated.

"(3) WAIVER AUTHORITY.—The grantee may waive, in whole or in part, the requirement of paragraph (2) for a subcontractor, if the subcontractor—

"(A) demonstrates that it would not otherwise be able to participate in the program; and

"(B) enters into an agreement with the grantee with respect to the amount to which the waiver will apply.

"(4) DECREASE IN GRANTEE SHARE.—Based on the funds or resources available to a subcontractor, the grantee may elect to provide the subcontractor with an amount that is less than the amount determined under paragraph (1).

"(g) EVALUATION.—

"(1) EVALUATION BY THE SECRETARY.—The Secretary shall select an independent entity to evaluate, every 3 years, the performance of students who participate in a Project GRAD program under this part. The evaluation shall—

"(A) be conducted using a rigorous research design for determining the effectiveness of the Project GRAD programs funded under this part; and

"(B) compare reading and mathematics achievement and, where applicable, the secondary school graduation, college attendance, and college completion rates of students who participate in a Project GRAD program funded under this part with those indicators for students of similar backgrounds who do not participate in such program.

"(2) EVALUATION BY GRANTEE AND SUBCONTRACTORS.—

"(A) IN GENERAL.—The grantee 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 part that includes—

"(i) data on the reading and mathematics achievement of students involved in the Project GRAD program;

"(ii) statistics on secondary school graduation, college attendance, and college completion rates; and

"(iii) such financial reporting as required by the Secretary to review the effectiveness and efficiency of the program.

"(B) FORM OF REPORT.—The report shall be in a form and include such content as shall be determined by the grantee, in consultation with the Secretary or the entity selected by the Secretary to evaluate the Project GRAD programs in accordance with paragraph (1).

"(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 chairperson and ranking member of the authorizing committees.

"(h) DEFINITIONS.—In this part 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 (20 U.S.C. 6313(a)(5)).

"PART G—IMPROVING COLLEGE ENROLLMENT BY SECONDARY SCHOOLS

"SEC. 841. IMPROVING COLLEGE ENROLLMENT BY SECONDARY SCHOOLS.

"(a) IN GENERAL.—From the amount appropriated to carry out this part under section 800, the Secretary shall contract with one nonprofit organization described in subsection (b) to enable the nonprofit organization—

"(1) to make publicly available the year-to-year higher education enrollment rate trends of secondary school students, disaggregated by secondary school, in compliance with the Family Education Rights and Privacy Act of 1974;

"(2) to identify not less than 50 urban local educational agencies and 5 States with significant rural populations, each serving a significant population of low-income students, and to carry out a comprehensive needs assessment in the agencies and States of the factors known to contribute to improved higher education enrollment rates, which factors shall include—

"(A) an evaluation of the local educational agency's and State's leadership strategies;

"(B) the secondary school curriculum and class offerings of the local educational agency and State;

"(C) the professional development used by the local educational agency and the State to assist teachers, higher education counselors, and administrators in supporting the transition of secondary students into higher education;

"(D) secondary school student attendance and other factors demonstrated to be associated with enrollment into higher education;

"(E) the data systems used by the local educational agency and the State to measure college enrollment rates and the incentives in place to motivate the efforts of faculty and students to improve student and school-wide outcomes; and

"(F) strategies to mobilize student leaders to build a college-bound culture; and

"(3) to provide comprehensive services to improve the school-wide higher education enrollment rates of each of not less than 10 local educational agencies and States, with the federally funded portion of each project declining by not less than 20 percent each year beginning in the second year of the comprehensive services, that—

"(A) participated in the needs assessment described in paragraph (2); and

"(B) demonstrated a willingness and commitment to improving the higher education enrollment rates of the local educational agency or State, respectively.

"(b) GRANT RECIPIENT CRITERIA.—The recipient of the grant awarded under subsection (a) shall be a nonprofit organization with demonstrated expertise—

"(1) in increasing school-wide higher education enrollment rates in low-income communities nationwide by providing curriculum, training, and technical assistance to secondary school staff and student peer influencers; and

"(2) in a college transition data management system.

"PART H—DIPLOMA MILL PREVENTION

"SEC. 851. PURPOSE; DEFINITIONS.

"(a) PURPOSE.—The purpose of this part is to protect institutions of higher education, businesses and other employers, professional licensing boards, patients and clients of degree holders, taxpayers, and other individuals from any person claiming to possess a legitimate academic degree that in fact was issued by a fraudulent or nonexistent school, by a non-educational entity posing as a school, or by any entity in violation of Federal or State law.

"(b) DEFINITIONS.—In this part:

"(1) DEGREE-GRANTING INSTITUTION.—The term 'degree-granting institution' means any entity that offers or confers an academic, professional, or occupational degree, diploma, or certificate, if such degree, diploma, or certificate may be used to represent to the general public that the individual possessing such degree, diploma, or certificate has completed a program of education or training beyond secondary education.

"(2) DIPLOMA MILL.—The term 'diploma mill' means any entity that—

"(A) lacks valid accreditation by an agency recognized by a Federal agency or a State government or other organization or association that recognizes accrediting agencies as a valid accrediting agency of institutions of higher education; and

"(B) offers degrees, diplomas, or certifications, for a fee, that may be used to represent to the general public that the individual possessing such a degree, diploma, or certification has completed a program of education or training beyond secondary education, but little or no education or course work is required to obtain such a degree, diploma, or certification.

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

"SEC. 852. RECOGNIZED ACCREDITING AGENCIES AND INSTITUTIONS.

"(a) LISTS MAINTAINED BY THE DEPARTMENT OF EDUCATION.—Not later than 30 days after the date of the enactment of this part, the Secretary of Education shall make available (in a regularly updated, electronic format) to the Secretary of Homeland Security and the heads of other appropriate Federal agencies, a list of—

"(1) accrediting agencies and associations, recognized by the Secretary of Education under section 496, or, at the discretion of the Secretary, other organizations involved in accreditation;

"(2) eligible institutions, as defined under section 435(a); and

"(3) to the extent practicable, foreign degree-granting institutions that—

"(A) have degree-granting authority, as granted by the appropriate agency or ministry of jurisdiction in the home country of such institution;

"(B) issue degrees that are accepted for professional licensure, public employment, and admission into graduate programs of degree-granting institutions in the home country (as determined by the Secretary of State);

"(C) are determined by the Secretary of Education to be academically equivalent to an eligible institution, as defined in section 435(a); and

"(D) are located in a home country that is capable of performing an effective academic evaluation of the degree-granting institutions to which it issues degree-granting authority, as determined by the Secretary of State, in consultation with the Secretary of Education,

for the purposes of assisting the Secretary of Homeland Security and the heads of such Federal agencies to determine, for immigration and Federal employment and hiring purposes, the legitimacy of degree-granting institutions and degrees issued by such institutions.

"(b) REVISIONS TO LISTS.—The Secretary of Education shall modify and maintain the lists described in subsection (a) as necessary to ensure that the lists and the information contained in the lists are accurate and up-to-date, based on the most recent information available to the Secretary.

"(c) NOTICE OF RECOGNITION.—To be eligible to receive funds under title IV, each eligible institution described in subsection (a)(2) shall, not later than 60 days after the date of the enactment of this part, prominently display on the institution's Internet website a notice indicating that the institution is recognized by the Secretary of Education as a legitimate institution for immigration and Federal employment and hiring purposes. If the Secretary of Education determines that an institution no longer qualifies as a legitimate degree-granting institutions described in subsection (a)(2), and removes the institution from the list maintained under such subsection, the institution shall, not later than 15 days after the removal of the institution from such list, delete the notice required by this subsection from the institution's Internet website.

"SEC. 853. ACCREDITING AGENCIES.

"No accrediting agency or association may be considered to be a reliable authority as to the quality of education or training offered by a degree-granting institution for any purpose related to immigration, Federal employment and hiring practices, or for any other Federal purposes, unless the agency or association is on the list of accrediting agencies and associations recognized by the Secretary of Education and provided to the Secretary of Homeland Security under section 852. The Secretary may consult with other organizations, such as the Council for Higher Education Accreditation, for such purposes.

"SEC. 854. TASK FORCE.

"(a) TASK FORCE ESTABLISHED.—The Secretary of Education shall establish within the Department of Education the Diploma Mill Task Force (referred to in this part as the 'Task Force').

"(b) MEMBERSHIP.—

"(1) NUMBER AND APPOINTMENT.—The Task Force shall, if practicable, be composed of 19 members, as follows:

"(A) The Assistant Secretary of Education for Postsecondary Education.

"(B) A representative of the Department of Education with experience related to the determination of the legitimacy and quality of degrees from foreign institutions of higher education, selected by the Secretary of Education.

"(C) A representative of the Department of Justice, selected by the Attorney General.

"(D) A representative of the Federal Trade Commission, selected by the Chairman of such agency.

"(E) A representative of the Secret Service, selected by the Director of the Secret Service.

"(F) A representative of the Department of State, selected by the Secretary of State.

"(G) A representative of the Department of Homeland Security, selected by the Secretary of Homeland Security.

"(H) A representative of the Office of Personnel Management, selected by the Director of such Office.

"(I) A representative of a national accreditation association.

"(J) A representative of a national organization representing collegiate registrars and admissions officers.

"(K) Two representatives of State degree approval agencies, selected by agreement of at least 3 of the Speaker of the House of Representatives, the Senate Majority Leader, the House Minority Leader, and the Senate Minority Leader.

"(L) Two representatives from regionally accredited institutions of higher education, selected by agreement of at least 3 of the Speaker of the House of Representatives, the Senate Majority Leader, the House Minority Leader, and the Senate Minority Leader.

"(M) One representative from a nationally accredited institution of higher education, selected by agreement of at least 3 of the Speaker of the House of Representatives, the Senate Majority Leader, the House Minority Leader, and the Senate Minority Leader.

"(N) Four individuals from the general population with experience in higher education, the detection of fraudulent degrees and degree-granting institutions, or law enforcement related to credential fraud, selected as follows:

"(i) One individual selected by the Speaker of the House of Representatives.

"(ii) One individual selected by the Minority Leader of the House of Representatives.

"(iii) One individual selected by the Majority Leader of the Senate.

"(iv) One individual selected by the Minority Leader of the Senate.

"(2) CRITERIA FOR MEMBERSHIP.—All members of the Task Force shall be persons who are especially qualified to serve on the Task Force by virtue of their education, training, or experience, particularly in the fields of higher education, accreditation of institutions of higher education, foreign higher education standards, State regulation of institutions of higher education, immigration, Federal employment requirements and hiring practices, or fraud prevention, detection, or enforcement.

"(3) TERMS.—Each member shall be appointed for the life of the Task Force.

"(4) VACANCIES.—A vacancy in the Task Force shall be filled in the manner in which the original appointment was made.

"(5) CHAIR.—At the first meeting of the Task Force, the members of the Task Force shall elect a member of the Task Force to serve as Chair.

"(c) DUTIES.—

"(1) GUIDELINES.—The Task Force shall develop guidelines, to be used for the development of Federal legislation, to identify degree-granting institutions as legitimate or fraudulent degree-granting institutions for Federal purposes. In developing such guidelines, the Task Force shall consider—

"(A) characteristics of degree-granting institutions that help determine the legitimacy of the institution, such as whether an entity—

"(i) offers or confers degrees, diplomas, or certificates—

"(I) for little or no meaningful academic work;

"(II) without requiring an appropriate level of academic achievement for the attainment of such degrees, diplomas, or certificates; or

"(III) without imposing academic or other requirements for admittance into the institutions or programs offering such degrees, diplomas, or certificates;

"(ii) has fiscal and administrative structures and capacity appropriate to the specified scale of educational operations;

"(iii) has resources to support claims as a degree-granting institution, including curricula, qualified faculty, facilities, equipment, and supplies, student support services, objectives of the degrees or credentials offered, admissions practices, academic calendars and catalogs, and a grading system; and

"(iv) has degree-granting authority issued by the States in which degrees, or instruction leading to degrees, are offered, and is recognized by such States as an approved institution of higher education;

"(B) the feasibility of defining the term 'fraudulent degree-granting institution' (commonly referred to as 'diploma mills'), and if feasible, shall define such term to propose for use in Federal laws and regulations;

"(C) issues related to—

"(i) the detection of new and existing fraudulent degree-granting institutions;

"(ii) recognition and prevention of the practices used by such fraudulent degree-granting institutions to avoid detection;

"(iii) the enforcement of laws and regulations prohibiting such fraudulent degree-granting institutions and practices and the use of fraudulent degrees; and

"(iv) the prosecution of such fraudulent degree-granting institutions and practices and the use of fraudulent degrees;

"(D) difficulties in identifying fraudulent degree-granting institutions located in foreign countries, or that claim recognition or degree-granting authority from foreign countries;

"(E) means to alert and educate the public about fraudulent degree-granting institutions and the use of fraudulent degrees;

"(F) laws, regulations, and other means used by States to address fraudulent degree-granting institutions and the use of fraudulent degrees;

"(G) the potential need for coordination and cooperation among various Federal agencies to investigate and prosecute suspected fraudulent degree-granting institutions, and the detailed recommendations of the Task Force regarding such coordination and cooperation;

"(H) the study and the report to the Task Force required under this section; and

"(I) the purposes for which various agencies of the United States need to identify fraudulent degree-granting institutions, and identify, prohibit, and prevent the use of degrees issued by such fraudulent institutions, and the ability of such agencies to implement any guidelines considered by the Task Force.

"(2) DEVELOPMENT OF FEDERAL PLAN.—The Task Force shall develop a strategic diploma integrity protection plan (referred to in this section as the 'Plan') to address the sale and use of fraudulent degrees for Federal purposes. The Plan shall include the following:

"(A) Recommendations to Congress regarding the implementation by Federal agencies of the guidelines developed under paragraph (1).

"(B) Recommendations to the Federal Trade Commission regarding the application of the guidelines developed under paragraph (1) to any rulemaking under section 856 and to the enforcement of the rules promulgated under such section.

"(3) SUBMISSION OF REPORT TO CONGRESS.—Not later than one year after the date of the enactment of this part, the Task Force shall submit to the appropriate congressional committees a report, including—

"(A) the guidelines developed under paragraph (1);

"(B) the Plan developed under paragraph (2); and

"(C) a legislative proposal for consideration by Congress.

"SEC. 855. SENSE OF THE CONGRESS REGARDING USE BY STATES OF THE FEDERAL PLAN AS GUIDELINES.

"It is the sense of the Congress that—

"(1) each State should implement a strategic diploma integrity plan similar to any strategic diploma integrity plan developed under section 854, to the extent practicable and as soon as practicable after the date of the adoption of such a plan under such section; and

"(2) States may adopt more stringent standards than those standards contained in the Federal strategic diploma integrity plan and used by agencies of the United States to identify fraudulent degree-granting institutions operating within such State, except that State law does not preempt Federal law as applied to the employment and hiring practices of Federal employees working in such State.

"SEC. 856. UNFAIR AND DECEPTIVE ACTS AND PRACTICES REGARDING DIPLOMAS AND PROFESSIONAL CERTIFICATIONS.

"Not later than 180 days after the date of enactment of this part, the Secretary shall request in writing that the Federal Trade Commission shall develop a plan to address diploma mills based on section 18 of Federal Trade Commission Act (15 U.S.C. 57a).

"PART I—STUDENT SAFETY AND CAMPUS EMERGENCY MANAGEMENT

"SEC. 861. STUDENT SAFETY AND CAMPUS EMERGENCY MANAGEMENT.

"(a) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—From the amount appropriated to carry out this part under section 800, 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 of the United States and the Secretary of Homeland Security.

"(3) DURATION.—The Secretary shall award each grant under this section for a period of 2 years.

"(4) LIMITATION ON INSTITUTIONS AND CONSORTIA.—An institution of higher education or consortium shall be eligible for only 1 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.—The institution of higher education or consortium shall provide the non-Federal share, which may be provided from other Federal, 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 1 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, within 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; and

"(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.

"(3) Coordinating with appropriate local entities 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) RULE OF CONSTRUCTION.—Nothing in this section 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 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).

"SEC. 862. MODEL EMERGENCY RESPONSE POLICIES, PROCEDURES, AND PRACTICES.

"The Secretary of Education, in consultation with the Attorney General of the United States and the Secretary of Homeland Security, shall—

"(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. 863. PREPARATION FOR FUTURE DISASTERS PLAN BY THE SECRETARY.

"(a) PLANNING.—The Secretary shall develop and maintain a disaster relief plan, in consultation with the appropriate agencies, to ensure a procedure is in place to address the needs of institutions of higher education in the event of a disaster with respect to which the President has declared a major disaster or emergency. The plan shall take into consideration the immediate safety and well-being of students, faculty, and staff. Additionally, such plan shall outline steps that can be taken to ensure institutions of higher education have a timely recovery.

"(b) SUBMISSION TO CONGRESS.—The Secretary shall submit to the authorizing committees the plan required by subsection (a) and any revisions of such plan.

"SEC. 864. EDUCATION DISASTER AND EMERGENCY RELIEF LOAN PROGRAM.

"(a) PROGRAM AUTHORIZED.—The Secretary is authorized to establish an Education Disaster and Emergency Relief Loan Program for institutions of higher education for direct or indirect losses incurred as a result of a federally declared major disaster or emergency.

"(b) USE OF ASSISTANCE.—The Secretary may, subject to the availability of appropriations, provide any assistance under the Education Disaster and Emergency Relief Loan program to institutions of higher education pursuant to this section only after the declaration of a major disaster or emergency by the President. Loan funds provided under this section may be used for—

"(1) direct and indirect construction, replacement, and renovation costs associated with or resulting from or preparing for a major disaster or emergency;

"(2) faculty salaries and incentives for retaining faculty; or

"(3) reimbursement for lost tuition and other revenues.

"(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 and the monetary amount of such losses; and

"(2) demonstrate that the institution attempted to minimize the cost of any losses by pursuing collateral source compensation from the Federal Emergency Management Agency and insurance coverage 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 and insurance 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 federally declared major disaster or emergency, 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.—In order to disburse loans under this section, the Secretary shall prescribe regulations that—

"(1) establish the loan program, taking into consideration the structure of existing capital financing loan programs under this Act; and

"(2) that set forth—

"(A) terms for the loan program under this section;

"(B) procedures for an application for a loan under this section; and

"(C) minimum requirements for the loan program and for receiving a loan under this section, including the following:

"(i) Online forms to be used in submitting request for a loan under this section.

"(ii) Information to be included in such forms.

"(iii) Procedures to assist in filing and pursing a loan under this section.

"(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;

"(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. 2809).

"(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.

"(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.

"(h) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of the College Opportunity and Affordability Act of 2007, and assistance provided to institutions of higher education pursuant to this section shall be available only with respect to federally declared major disasters or emergencies that occur after the date of the enactment of the College Opportunity and Affordability Act of 2007, except in the case of an institution affected by a Gulf hurricane disaster.

"SEC. 865. GUIDANCE ON MENTAL HEALTH DISCLOSURES FOR STUDENT SAFETY.

"Not later than 90 days after the date of enactment of the College Opportunity and Affordability Act of 2007, the Secretary shall 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 the Family Educational Rights and Privacy Act of 1974 shall not be liable to any person for that disclosure.

"PART J—RURAL DEVELOPMENT GRANTS FOR RURAL COLLEGES AND UNIVERSITIES

"SEC. 871. PURPOSE.

"The purposes of this part are—

"(1) to increase—

"(A) enrollment and graduation rates from 2-year and 4-year colleges, and articulation from 2-year degree programs into 4-year degree programs, of graduates of rural high schools; and

"(B) degree completion for nontraditional students from rural areas; and

"(2) to promote economic growth and development in rural America through partnership grants to consortia of rural colleges and universities and other entities, such as local education agencies, employers, education service agencies, and nonprofit organizations.

"SEC. 872. DEFINITIONS.

"For the purposes of this part:

"(1) RURAL INSTITUTION OF HIGHER EDUCATION.—The term 'rural 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 in which there is located a rural local educational agency.

"(3) RURAL LOCAL EDUCATION AGENCY.—The term 'rural local education agency' means a local educational agency (as such term is defined in section 9101 of the Elementary and Secondary Education Act of 1965) all of the schools of which meet a metro-centric locale code of 41, 42, or 43 as determined by the National Center for Education Statistics (NCES), in conjunction with the Bureau of the Census, using the NCES system for classifying local educational agencies.

"(4) NONTRADITIONAL STUDENT.—The term 'nontraditional student' means an individual who—

"(A) delays enrollment in an institution of higher education by 3 or more years after completing high school;

"(B) attends an institution of higher education part-time or less than part-time; or

"(C) attends an institution of higher education and—

"(i) works full-time;

"(ii) is an independent student;

"(iii) has one or more dependents other than a spouse;

"(iv) is a single parent; or

"(v) does not have a high school diploma.

"(5) REGIONAL EMPLOYER.—The term 'regional employer' means employers qualifying as businesses or other entities employing individuals within a rural area.

"SEC. 873. ENSURING COLLEGE ACCESS FOR RURAL HIGH SCHOOL GRADUATES.

"(a) GRANTS AUTHORIZED.—From the amounts appropriated to carry out this part under section 800, the Secretary of Education is authorized to make grants in accordance with this section to partnerships formed between one or more rural institution of higher education and any of the following entities:

"(1) One or more rural local educational agencies.

"(2) One or more rural education service agencies.

"(3) One or more regional employers.

"(4) One or more nonprofit organizations with expertise in rural education.

"(b) ELIGIBLE PARTNERSHIPS; APPLICATIONS.—To be eligible for a grant under this section, a partnership that meets the requirements of subsection (a) shall submit to the Secretary an application in such form and containing such information as the Secretary shall prescribe. In determining which applications to approve for a grant under this section, the Secretary shall consider—

"(1) the percentage of graduates, attendees, or former attendees of high schools from rural local educational agencies enrolled or otherwise affiliated with the entity;

"(2) in the case of employers, the percentage of employees that are graduates of high schools in rural local educational agencies.

"(c) USE OF GRANT AMOUNTS.—Funds made available by a grant under this section to a partnership that meets the requirements of subsection (b) shall be used—

"(1) to improve enrollment rates for graduates and former attendees of rural high schools at rural institutions of higher education, including—

"(A) programs to provide information about college costs and financial aid options, assistance with college enrollment applications, and assistance with financial aid applications;

"(B) programs or initiatives that provide such graduates or former attendees of rural high schools access and exposure to campuses, classes, programs, and facilities of rural institutions of higher education, including covering the cost of transportation to and from institutions of higher education;

"(C) the formation of groups or other initiatives that create support groups of such students expressing interest in attending rural institutions of higher education;

"(D) extracurricular activities, such as internships, community service, and other activities for such individuals in advance of attending institutions of higher education; and

"(E) other initiatives that assist such individuals in applying and developing interest in attending rural institutions of higher education; and

"(2) to encourage participation of nontraditional students in degree programs at rural institutions of higher education, including—

"(A) programs to provide information about college costs and financial aid options, assistance with college enrollment applications, and assistance with financial aid applications for institutions of higher education;

"(B) outreach to nontraditional students through community initiatives; and

"(C) formation of support groups for nontraditional students enrolling in 2-year degree programs and articulating from 2-year degree programs to 4-year degree programs.

"SEC. 874. ECONOMIC DEVELOPMENT PARTNERSHIPS.

"(a) GRANTS AUTHORIZED.—From the amounts appropriated to carry out this part under section 800, the Secretary of Education is authorized to make grants in accordance with this section to partnerships formed between one or more rural institutions of higher education and one or more regional employers.

"(b) ELIGIBLE PARTNERSHIPS; APPLICATIONS.—To be eligible for a grant under this section, a partnership that meets the requirements of subsection (a) shall submit to the Secretary an application in such form and containing such information as the Secretary shall prescribe. In determining which applications to approve for a grant under this section, the Secretary shall consider—

"(1) the potential of the employer to employ graduates of rural institutions of higher education after graduation;

"(2) the potential of the employer engaged in the partnership to spur economic development in the region; and

"(3) the relevance of the employer to the regional economy.

"(c) USE OF GRANT AMOUNTS.—Funds made available by a grant under this section to a partnership that meets the requirements of subsection (a) shall be used—

"(1) to provide additional career training to attendees of rural institutions of higher education in fields relevant to the regional economy; and

"(2) to encourage regional businesses to employ graduates of rural institutions of higher education.

"SEC. 875. QUALITY OF LIFE IN RURAL AREAS.

"(a) GRANTS AUTHORIZED.—From the amounts appropriated to carry out this part under section 800, the Secretary of Education is authorized to make grants in accordance with this section to rural institutions of higher education.

"(b) USE OF GRANT AMOUNTS.—Funds made available by a grant under this section to a partnership that meets the requirements of subsection (a) shall be used to create or strengthen academic programs to prepare graduates to enter into high-need occupations in the regional and local economies.

"SEC. 876. ALLOCATION OF APPROPRIATIONS.

"(a) GRANT CONSIDERATIONS.—In making grant allocations under this part to qualifying institutions and partnerships, the Secretary shall consider—

"(1) the percentage of graduates of rural high schools attending rural institutions of higher education in proximity to the entity receiving the grant;

"(2) employment needs of regional employers in proximity to entities receiving the grant; and

"(3) the health of the regional economy of the region surrounding the entity receiving the grant.

"(b) MAXIMUM AND MINIMUM GRANTS.—No grant awarded by the Secretary under this part shall be less than $200,000 or more than $500,000.

"(c) GRANT DURATION.—A grant awarded under this part shall be awarded for one 3-year period.

"PART K—IMPROVING SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS EDUCATION WITH A FOCUS ON ALASKA NATIVE AND NATIVE HAWAIIAN STUDENTS

"SEC. 880. IMPROVING SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS EDUCATION WITH A FOCUS ON ALASKA NATIVE AND NATIVE HAWAIIAN STUDENTS.

"(a) PURPOSE.—The purpose of this section is—

"(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.

"(b) DEFINITIONS.—In this section:

"(1) ALASKA NATIVE.—The term 'Alaska Native' has the meaning given the term 'Native' in section 3(b) of the Alaska Natives Claims Settlement Act (43 U.S.C. 1602(b)).

"(2) ELIGIBLE PARTNERSHIP.—The term 'eligible partnership' means a partnership that includes—

"(A) 1 or more colleges or schools of engineering;

"(B) 1 or more colleges of science or mathematics;

"(C) 1 or more institutions of higher education that offer 2-year degrees; and

"(D) 1 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 college, 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) NATIVE HAWAIIAN.—The term 'Native Hawaiian' has the meaning given the term in section 7207 of the Elementary and Secondary Education Act of 1965.

"(c) GRANT AUTHORIZED.—From the amounts appropriated to carry out this part under section 800, the Secretary is authorized to award a grant to an eligible partnership to enable the eligible partnership to expand programs for the development of science, technology, engineering, or mathematics professionals, from elementary school through college, including existing programs for Alaska Native and Native Hawaiian students.

"(d) USES OF FUNDS.—Grant funds under this section shall be used for 1 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.

"(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.

"(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.

"(4) Such other activities as are consistent with the purposes 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 provides 1 or more programs in which 30 percent or more of the program participants are Alaska Native or Native Hawaiian.

"(g) PERIOD OF GRANT.—A grant under this section shall be awarded for a period of 5 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 6 months after the end of the grant period.

"PART L—NATIONAL DATABASE ON FINANCIAL ASSISTANCE FOR STUDY OF SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS

"SEC. 881. NATIONAL DATABASE ON FINANCIAL ASSISTANCE FOR STUDY OF SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS.

"(a) ESTABLISHMENT AND MAINTENANCE OF DATABASE.—

"(1) DATABASE.—The Secretary of Education shall establish and maintain, on the public website of the Department of Education, a database consisting of information on scholarships, fellowships, and other programs of financial assist-

ance available from public and private sources for the study of science, technology, engineering, or mathematics at the postsecondary and post baccalaureate levels.

"(2) PRESENTATION OF INFORMATION.—The information maintained on the database established under this section shall be displayed on the website in the following manner:

"(A) Separate information shall be provided for each of the fields of study referred to in paragraph (1) and for postsecondary and post baccalaureate programs of financial assistance.

"(B) The database shall provide specific information on any programs of financial assistance which are targeted to individuals of a particular gender, ethnicity, or other demographic group.

"(C) If the sponsor of any program of financial assistance included on the database maintains a public website, the database shall provide hyperlinks to the website.

"(D) In addition to providing the hyperlink to the website of a sponsor of a program of financial assistance as required under subparagraph (C), the database shall provide general information that an interested person may use to contact the sponsor, including the sponsor's electronic mail address.

"(E) The database shall have a search capability which permits an individual to search for information on the basis of each category of the information provided and on the basis of combinations of categories of the information provided, including whether the scholarship is need- or merit-based and by relevant academic majors.

"(F) The database shall include a recommendation that students and families should carefully review all of the application requirements prior to applying for aid, and a disclaimer that the scholarships presented in the database are not provided or endorsed by the Department of Education or the Federal Government.

"(b) DISSEMINATION OF INFORMATION ON DATABASE.—The Secretary shall take such actions as may be necessary on an ongoing basis, including sending notices to secondary schools and institutions of higher education, to disseminate information on the database established and maintained under this part and to encourage its use by interested parties.

"(c) USE OF VENDOR TO OBTAIN INFORMATION.—In carrying out this part, the Secretary of Education shall enter into a contract with a private entity under which the entity shall furnish and regularly update all of the information required to be maintained on the database established under this section.

"(d) ENCOURAGING THE PROVISION OF INFORMATION.—In carrying out this part, the Secretary of Education and the contracted entity shall consult with public and private sources of scholarships and make easily available a process for such entities to provide regular and updated information.

"PART M—TRAINING FOR REALTIME WRITERS

"SEC. 882. 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 part under section 800, the Secretary of Commerce shall make competitive grants to eligible entities under subsection (b) 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 part, an eligible entity is a court reporting program that—

"(A) can document and demonstrate to the Secretary of Commerce that it meets minimum standards of educational and financial accountability, with a curriculum capable of training realtime writers qualified to provide captioning services;

"(B) is accredited by an accrediting agency recognized by the Department of Education; 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 of Commerce 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 local 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 2 years.

"(5) MAXIMUM AMOUNT OF GRANT.—The amount of a grant provided under subsection (a) to an entity eligible may not exceed $1,500,000 for the 2-year period of the grant under paragraph (4).

"(b) APPLICATION.—

"(1) IN GENERAL.—To receive a grant under subsection (a), an eligible entity shall submit an application to the Secretary of Commerce 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 under subsection (a) 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 workforce investment boards 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, of 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 curriculum to more effectively train 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 provide 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 all such purposes.

"(2) SCHOLARSHIPS.—

"(A) AMOUNT.—The amount of a scholarship under paragraph (1)(B) shall be based on the amount of need of the recipient of the scholarship 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 Sec-

retary of Commerce or the Secretary's designee) for the amount of the scholarship received.

"(C) COURSEWORK AND EMPLOYMENT.—The Secretary of Commerce or the Secretary's designee 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. Requirements for repayment of scholarship amounts shall take into account the effect of economic conditions on the capacity 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 5 percent of the grant amount to pay administrative costs associated with activities funded by the grant. The Secretary of Commerce shall use not more than 5 percent of the amount available for grants under this part in any fiscal year for administrative costs of the program.

"(4) SUPPLEMENT NOT SUPPLANT.—Grants amounts under this part 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) REPORTS.—

"(1) ANNUAL REPORTS.—Each eligible entity receiving a grant under subsection (a) shall submit to the Secretary of Commerce, at the end of each year of the grant period, a report on the activities of such entity with respect to the use of grant amounts during such year.

"(2) REPORT INFORMATION.—

"(A) IN GENERAL.—Each report of an entity for a year under paragraph (1) shall include a description of the use of grant amounts by the entity during such year, including an assessment by the entity of the effectiveness of activities carried out using such funds in increasing the number of realtime writers. The assessment shall utilize the performance measures submitted by the entity in the application for the grant under subsection (b)(2).

"(B) FINAL REPORT.—The final report of an entity on a grant under paragraph (1) shall include a description of the best practices identified by the entity as a result of the grant for increasing the number of individuals who are trained, employed, and retained in employment as realtime writers.

"(3) ANNUAL REVIEW.—The Inspector General of the Department of Commerce shall conduct an annual review of the management, efficiency, and effectiveness of the grants made under this part.

"PART N—CENTERS OF EXCELLENCE FOR VETERAN STUDENT SUCCESS

"SEC. 883. 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 section 800, 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 3 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 of 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 students 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 full-time or part-time 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 on-going 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 students living in institutional facilities and commuting students.

"(E) Cultural events, academic programs, orientation programs, and other activities designed to ease the transition to campus life for such 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 such students in achieving their 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.

"PART O—UNIVERSITY SUSTAINABILITY PROGRAMS

"Subpart 1—Sustainability Planning Grants

"SEC. 884. GRANTS AUTHORIZED.

"(a) PROGRAM AUTHORIZED.—

"(1) IN GENERAL.—From the amounts appropriated to carry out this part under section 800, the Secretary shall make grants to eligible entities to establish sustainability programs to design and implement sustainability practices, including in the areas of energy management, 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.

"(2) PERIOD OF GRANT.—The provision of payments under a grant under paragraph (1) may extend over a period of not more than 4 fiscal years.

"(3) DEFINITION OF ELIGIBLE ENTITIES.—For purposes of this part, the term 'eligible entity' means—

"(A) an institution of higher education that grants 2 or 4-year undergraduate degrees, or masters and doctoral degrees, or both; or

"(B) a non-profit consortia, 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) 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 or shall develop 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 such 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 in 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:

"(A) To develop and implement administrative and operations practices at institutions of higher education that test, model, and analyze principles of sustainability.

"(B) To establish multidisciplinary education, research, and outreach programs at institutions 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 initiatives in the areas of energy management, green building, waste management, purchasing, toxics management, transportation, and other aspects of sustainability.

"(E) To support student, faculty, and staff work at institutions of higher education to implement, research, and evaluate sustainable practices.

"(F) To establish sustainability literacy as a requirement for undergraduate and graduate degree programs.

"(G) To integrate sustainability curriculum in all programs of instruction, particularly in business, architecture, technology, manufacturing, engineering, and science programs.

"(2) PARTNERSHIPS.—Grants made under subsection (a) may be used by an eligible entity that is a non-profit consortia, association, alliance, or collaboration operating as a 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 sustainability and institutional change.

"(B) To compile, evaluate, and disseminate best practices, case studies, guidelines and standards.

"(C) To conduct efforts to engage external stakeholders such as business, 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 enable an appropriate non-profit consortia, association, alliance, or collaboration operating in partnership with an institution of higher education 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.

"Subpart 2—Summit on Sustainability

"SEC. 885. SUMMIT ON SUSTAINABILITY.

"Not later than September 30, 2008, the Secretary of Education shall convene a summit of higher education experts working in the area of sustainable operations and programs, representatives from agencies of the Federal Government, and business and industry leaders to focus on efforts of national distinction that—

"(1) encourage faculty, staff, and students at institutions of higher education to establish administrative and academic sustainability programs on campus;

"(2) enhance research by faculty and students at institutions of higher education in sustainability practices and innovations that assist and improve sustainability;

"(3) encourage institutions of higher education to work with community partners from the business, government, and nonprofit sectors to design and implement sustainability programs for application in the community and workplace;

"(4) identify opportunities for partnerships involving institutions of higher education and the Federal Government to expand sustainable operations and academic programs focused on environmental and economic sustainability; and

"(5) charge the summit participants or steering committee to submit a set of recommendations for addressing sustainability through institutions of higher education.

"PART P—MODELING AND SIMULATION PROGRAMS

"SEC. 886. 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 taskforce within the Department of Education to study modeling and simulation and to support the development of the modeling and simulation field. The activities of such taskforce 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) TASKFORCE MEMBERSHIP.—The membership of the taskforce 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 Institute 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; and

"(E) national modeling and simulation organizations.

"(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 3-year period, and such grant period may be extended for not more than 2 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 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) 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 multi-disciplinary 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 compliment 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 3-year period, and such grant period may be extended for not more than 2 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 in to 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) purchasing equipment necessary for a modeling and simulation program.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $40,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 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 Q—BUSINESS WORKFORCE PARTNERSHIPS

"SEC. 887. GRANTS TO CREATE BUSINESS WORKFORCE PARTNERSHIPS.

"(a) PURPOSE AND AUTHORIZATION.—

"(1) PURPOSE.—The purpose of this section is to provide grants to institutions of higher education partnering with employers to strengthen ties between college degree credit offerings and business and industry workforce needs, and expand opportunities for worksite learning.

"(2) AUTHORIZATION OF PROGRAM.—The Secretary shall award grants, on a competitive basis, to eligible partnerships for the purposes of creating business and industry workforce partnerships.

"(b) DEFINITION OF BUSINESS AND INDUSTRY WORKFORCE PARTNERSHIP.—

"(1) IN GENERAL.—For purposes of this section, the term 'business and industry workforce partnership' means a partnership between an institution of higher education and—

"(A) an employer or group of employers, or a local board (as such term is defined in section 101 of the Workforce Investment Act of 1998), or both; and

"(B) labor organizations, where applicable, that represent workers locally in the businesses or industries that are the focus of the partnership, including as a result of such organization's representation of employees at a worksite at which the partnership proposes to conduct activities under this section.

"(2) EXCEPTION.—In the case of a State that does not operate local boards, paragraph (1)(A) shall be applied by substituting 'State board' for 'local board'.

"(c) APPLICATION.—A business and industry workforce 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.

"(d) PRIORITY FOR APPLICATIONS FOCUSED ON SERVING NONTRADITIONAL STUDENTS.—The Secretary shall give priority to applications focused on serving nontraditional students who are independent, as defined in section 480(d), do not already have a bachelor's degree, and who have one or more of the following characteristics:

"(1) Are the first generation in their family to attend college.

"(2) Have delayed enrollment in college.

"(3) Have dependents.

"(e) PEER REVIEW.—The Secretary shall convene a peer review process, which shall include individuals knowledgeable about workforce education for working adults, to review applications for grants under this section, and make recommendations to the Secretary on the selection of grant recipients.

"(f) MANDATORY ACTIVITIES.—A partnership that receives a grant under this section shall use the grant funds to carry out all of the following activities:

"(1) Identify high demand occupations in the regional labor market which offer or can lead to high wages, in coordination with the State employment security agency funded under the Wagner-Peyser Act.

"(2) Develop linked career and educational pathways for those occupations and related ones, including, where appropriate, pathways involving registered apprenticeships.

"(3) Consult with employers offering jobs in occupations identified under paragraph (1) to determine workforce development needs.

"(4) Consult with labor organizations representing workers locally in the occupations identified in paragraph (1), where applicable.

"(5) Identify existing college degree credit offerings or create new degree credit offerings that prepare students to meet business and industry workforce needs, including offerings connected to registered apprenticeship programs.

"(g) PERMISSIBLE ACTIVITIES.—A partnership that receives a grant under this section may use the grant funds to carry out one or more of the following activities:

"(1) In consultation with faculty in the appropriate departments, adapt college offerings identified and created under subsection (f)(5) to the schedules and needs of working students, such as by creating evening, weekend, modular, compressed, or distance learning formats, enrolling students in learning communities, or other relevant innovations.

"(2) Create bridge programs that prepare students with lower skills or limited English proficiency to enter the college offerings identified or created under subsection (f)(5).

"(3) Expand worksite learning opportunities.

"(4) Other activities that the institution and the Secretary deem appropriate to carry out the purposes of this program.

"(h) GRANT PERIOD.—Grants made under this section shall be for a period of at least 36 months and not more than 60 months.

"(i) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to grantees under this section throughout the grant period.

"(j) EVALUATION.—The Secretary shall conduct an evaluation of the effectiveness of the program under this section and disseminate the findings of such evaluation, as well as information on promising practices developed under this section.

"(k) REPORT TO CONGRESS.—Not less than 36 months after the first grant is awarded under this section, the Secretary, jointly with the Secretary of Labor, shall report to Congress on:

"(1) Changes to the Higher Education Act and related Acts, such as the Perkins Vocational and Technical Education Act and the Workforce Investment Act

(both Title I and Title II), that would help create and sustain business and industry workforce partnerships at colleges.

"(2) Other changes to the Higher Education Act and related Acts, such as the Perkins Vocational and Technical Education Act and the Workforce Investment Act, that would more generally strengthen the links between business and industry workforce needs, workforce development programs, and other college degree credit offerings.".

SEC. 802. SENSE OF THE CONGRESS; REPORT.

(a) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) in order to provide the borrowers of Federal student loans with the option of converting their loans to income contingent repayment by providing direct loans for the discharge of such loans (in this section referred to as "direct IDEA loans"), the Secretary of Education and the Secretary of the Treasury will work together to develop a process by which the borrower will make payments on such loan using the income tax withholding system and will make appropriate adjustments to his or her withholding or estimated tax payments for such purposes;

(2) the Secretaries should determine—

(A) whether such a repayment option would be beneficial to borrowers and taxpayers; and

(B) how such program would be implemented by the Departments of Education and Treasury; and

(3) this process would—

(A) streamline the repayment process and provide greater flexibility for borrowers electing to use the direct IDEA loan;

(B) significantly reduce the number of loan defaults by borrowers; and

(C) significantly reduce the redundancy in reporting information pertaining to income contingent repayment to the Department of Education, institutions, and applicants.

(b) REPORT.—The Secretaries of Education and the Treasury shall, within one year after the date of enactment of this Act—

(1) provide the Congress with information on the progress in devising the direct IDEA loan with income contingent repayment using the income tax withholding system;

(2) inform the Congress of any necessary statutory changes for the purpose of establishing a direct IDEA loan with income contingent repayment using the income tax withholding system; and

(3) consider international programs demonstrating implementation of income contingent repayment collected through revenue services, such as programs in England, Australia, and New Zealand.

SEC. 803. INDEPENDENT EVALUATION OF DISTANCE EDUCATION PROGRAMS.

(a) INDEPENDENT EVALUATION.—The Secretary of Education shall enter into an agreement with the National Academy of Sciences to conduct a scientifically correct and statistically valid evaluation of the quality of distance education programs, as compared to campus-based education programs, at institutions of higher education. Such evaluation shall include—

(1) identification of the elements by which the quality of distance education, as compared to campus-based education, can be assessed, including elements such as subject matter, interactivity, and student outcomes;

(2) identification of distance and campus-based education program success, with respect to student achievement, in relation to the mission of the institution of higher education; and

(3) identification of the types of students (including classification of types of students based on student age) who most benefit from distance education programs, the types of students who most benefit from campus-based education programs, and the types of students who do not benefit from distance education programs, by assessing elements including access to higher education, job placement rates, undergraduate graduation rates, and graduate and professional degree attainment rates.

(b) SCOPE.—The National Academy of Sciences shall select for participation in the evaluation under subsection (a) a diverse group of institutions of higher education with respect to size, mission, and geographic distribution.

(c) INTERIM AND FINAL REPORTS.—The agreement under subsection (a) shall require that the National Academy of Sciences submit to the authorizing committees (as such term is defined in section 103 of the Higher Education Act of 1965 (20 U.S.C. 1003)—

(1) an interim report regarding the evaluation under subsection (a) not later than December 31, 2008; and

(2) a final report regarding such evaluation not later than December 31, 2010.

SEC. 804. ENCOURAGING COLLEGES AND UNIVERSITIES TO "GO GREEN".

(a) FINDINGS.—The Committee on Education and Labor of the House of Representatives makes the following findings:

(1) A commitment to and academic programs for environmental and economic sustainability are essential for our Nation's future prosperity.

(2) The more than 4,200 higher education institutions in the United States have the capacity to innovatively leverage spending and change consumption patterns by incorporating concepts of sustainability into their academic programs and by modeling sustainable economic and environmental practices for their communities.

(3) Many colleges and universities have interdisciplinary programs or centers focusing on equipping students with the academic content knowledge needed to understand concepts of sustainability and "going green".

(4) Many colleges and universities have programs related to the research of sustainability and sustainable systems.

(5) Academic programs related to sustainability vary in rigor because no national education content standards for academic sustainability programs currently exist.

(6) Colleges and universities may partner with businesses to encourage students and faculty to translate academic learning and research into practical solutions that promote sustainability.

(7) Colleges and universities that make an effort to reduce energy consumption and promote environmental sustainability not only reduce their own emissions, but also motivate the leaders of the next generation to action and create technical skills and resources to develop innovative solutions.

(8) Many colleges and universities have undertaken detailed, campus-wide assessments of their progress toward "going green" and sustainability or have measured their progress in specific sectors, such as operations, or specific parameters, such as recycling, energy, and water consumption.

(9) No system that evaluates and compares college and university campuses in terms of overall sustainability-related academic programs and practices currently exists.

(b) SENSE OF THE COMMITTEE ON EDUCATION AND LABOR.—It is the sense of the Committee on Education and Labor that in order to encourage increased public awareness of the need to "go green" by using sustainable economic and environmental practices and rigorous sustainability academic programs on college and university campuses, the following should be encouraged:

(1) The development of educational standards by institutions of higher education to determine the necessary rigor and effectiveness of academic sustainability programs.

(2) Public awareness of the need for "going green" by using sustainable economic and environmental practices.

(3) Non-governmental efforts to improve economic and environmental sustainability efforts on college and university campuses, including holding national summits to share best practices.

(4) Collaborative partnerships between Federal agencies, businesses, universities and communities to broaden sustainability practices.

SEC. 805. STUDY OF COSTS OF ENVIRONMENTAL, HEALTH, AND SAFETY STANDARDS.

(a) STUDY.—The Secretary of Education shall commission the National Research Council to conduct a national study to determine the viability of developing and implementing standards in environmental, health, and safety areas to provide for differential regulation of industrial laboratories and facilities, on the one hand, and research and teaching laboratories on the other. The National Research Council shall make specific recommendations for statutory and regulatory changes that are needed to develop such a differential approach.

(b) REPORT.—The Secretary of Education shall submit the list of those regulations that impose the greatest compliance costs on institutions of higher education and make recommendations for statutory changes to ease the compliance burden to the authorizing committees (as such term is defined in section 103 of the Higher Education Act of 1965 (20 U.S.C. 1003).

SEC. 806. STUDY OF MINORITY MALE ACADEMIC ACHIEVEMENT.

(a) STUDY REQUIRED.—The Secretary of Education shall—

(1) commission and ensure the conduct of a national study of underrepresented minority males, particularly African American and Hispanic American males, completing high school, and entering and graduating from colleges and universities in accordance with the following:

(A) the data comprising the study shall focus primarily on African American and Hispanic American males and will utilize existing data sources;

(B) the study shall focus on high school completion and preparation for college, success on the SAT and ACT, and minority male access to college, including the financing of college, and college persistence and graduation; and

(C) the implementation of the study shall be in four stages based on the recommendations of the Commissioner of Education Statistics; and

(2) make specific recommendations to the Congress and State superintendents of education on new approaches to increase—

(A) the number of minority males successfully preparing themselves for college study;

(B) the number of minority males graduating from high school and entering college; and

(C) the number of minority males graduating from college and entering careers in which they are underrepresented.

(b) SUBMISSION OF THE REPORT.—Not later than 4 years after the date of enactment of this section, the Secretary shall submit a report on the study required by subsection (a)(1), together with the recommendations required by subsection (a)(2), to the authorizing committees (as such term is defined in section 103 of the Higher Education Act of 1965 (20 U.S.C. 1003)).

SEC. 807. STUDY ON BIAS IN STANDARDIZED TESTS.

(a) STUDY.—The Comptroller General shall conduct a study to identify any race, ethnicity, and gender biases present in the design of standardized tests that are used for admission to institutions of higher education.

(b) DATA AVAILABLE TO THE PUBLIC.—Any data collected and used for the study under subsection (a) shall be made publicly available, except that such data shall not be made available in any manner that reveals personally identifiable information relating to any individual.

(c) REPORT.—Not later than one year after date of the enactment of this Act, the Comptroller General shall issue an interim report to the authorizing committees (as defined in section 103 of the Higher Education Act of 1965 (20 U.S.C. 1003)) related to the progress of the study under subsection (a).

SEC. 808. FEASIBILITY STUDY ON STUDENT LOANS.

(a) STUDY REQUIRED.—The Congressional Budget Office shall conduct a study on the feasibility of allowing borrowers in repayment of student loans made under the Higher Education Act of 1965 the option of selecting or renegotiating a fixed or variable interest rate on their loans and the repayment period of such loans. The study shall evaluate various scenarios and options and take into consideration the costs to the government, lenders and borrowers of allowing such an option as well as the impact on service quality.

(b) REPORT.—The Congressional Budget Office shall submit a report on the study required by this section to the authorizing committees (as defined in section 103 of the Higher Education Act of 1965 (20 U.S.C. 1003)) not later than one year after the date of the enactment of this Act.

SEC. 809. ENDOWMENT REPORT.

(a) ANALYSIS OF ENDOWMENTS.—The Secretary of Education shall conduct a study on the amounts, uses, and public purposes of the endowments of institutions of higher education. The study shall include information (disaggregated by types of institution) describing—

(1) the average and range of—

(A) the outstanding balance of such endowments;

(B) the growth of such endowments over the last 10 years; and

(C) the percentage of spending on an annual basis and, to the extent practicable, the uses of such endowments by the institutions; and

(2) the extent to which the funds in such endowments are restricted, and the restrictions placed upon such funds.

(b) SUBMISSION OF REPORT.—The Secretary shall submit the report required by subsection (a) to the authorizing committees (as such term is defined in section 103 of the Higher Education Act of 1965 (20 U.S.C. 1003)) not later than one year after the date of enactment of this Act.

SEC. 810. STUDY OF CORRECTIONAL POSTSECONDARY EDUCATION.

(a) STUDY REQUIRED.—The Secretary of Education shall—

(1) conduct a longitudinal study to assess the effects of correctional postsecondary education that—

(A) employs rigorous empirical methods that control for self-selection bias;

(B) measures a range of outcomes, including those related to employment and earnings, recidivism, engaged citizenship, impact on families of the incarcerated, and impact on the culture of the correctional institution;

(C) examines different delivery systems of postsecondary education, such as on-site and distance learning; and

(D) includes a projected cost-benefit analysis of the Federal investment in terms of reduction of future offending, reduction of future prison costs (construction and operational), increased tax payments by formerly incarcerated individuals, a reduction of welfare and other social service costs for successful formerly incarcerated individuals, and increased costs from the employment of formerly incarcerated individuals; and

(2) make specific recommendations to the Congress and the relevant State agencies responsible for correctional education, such as the State superintendents of education and State secretaries of corrections, on best approaches to increase correctional education and its effectiveness.

(b) SUBMISSION OF REPORTS.—Not later than 3 years after the date of enactment of this Act, the Secretary shall submit an interim report on the progress of the study required by subsection (a)(1) to the authorizing committees (as defined in section 103 of the Higher Education Act of 1965 (20 U.S.C. 1003)). Not later than 7 years after the date of enactment of this Act, the Secretary shall submit a final report, together with the recommendations required by subsection (a)(3), to the authorizing committees.

SEC. 811. NATIONAL UNDERGRADUATE FELLOWS PROGRAM.

(a) PROGRAM AUTHORIZED.—The Secretary is authorized to provide grants, on a competitive basis, to institutions of higher education (as defined in section 102) to support a National Undergraduate Fellows program.

(b) PURPOSE OF GRANTS.—Grants under this section shall be provided to enable administrators (including student affairs administrators)—

(1) to improve postsecondary degree completion rates of current underrepresented students through mentoring, a leadership institute, an internship, and funding to attend regional and national higher education administration conferences;

(2) to increase the retention and success rates of not only current students, but future generations of underrepresented college students, by encouraging them to pursue a career in higher education or student affairs; and

(3) to increase the quality and number of underrepresented higher education and student affairs administrators able to provide much needed student support services to students.

(c) USES OF FUNDS.—Grantees under this section may use the funds to provide—

(1) staffing support for the program, which may include a higher education administrator as a mentor;

(2) summer internship opportunities focusing on higher education administration, at an institution other than their own;

(3) a summer leadership institute participation opportunity for self reflection, leadership skill building, graduate school preparation, and career development; and

(4) as needed, support to attend regional and national higher education conferences for additional leadership and professional development.

(d) ON-GOING SUPPORT FOR THE FELLOWS PROGRAM.—From the funds appropriated in section 800 of the Higher Education Act of 1965, the Secretary shall award a grant, on a competitive basis, to a national organization to enable such organization to support the establishment and ongoing work of the program under this section.

SEC. 812. NATIONAL CENTER FOR LEARNING SCIENCE AND TECHNOLOGY TRUST FUND.

(a) ESTABLISHMENT.—There is established a nonprofit corporation to be known as the National Center for Learning Science and Technology (referred to in this Act as the "Center") which shall not be an agency or establishment of the United States Government. The Center shall be subject to the provisions of this section, and, to the extent consistent with this section, to the District of Columbia Nonprofit Corporation Act (D.C. Code, section 29–501 et seq.).

(b) FUNDING.—

(1) IN GENERAL.—There is established in the Treasury a separate fund to be known as the National Center for Learning Science and Technology Trust Fund (referred to in this Act as the "Trust Fund"). The Trust Fund shall contain such amounts as are credited to the Trust Fund under paragraph (2) and other funds obtained under paragraph (3).

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Trust Fund such sums as may be necessary for the fiscal years 2008 and each of the 4 succeeding fiscal years.

(3) ADDITIONAL FUNDS.—The Trust Fund is authorized—

(A) to accept funds from any Federal agency or entity;

(B) to accept, hold, administer, invest, and spend any gift, devise, or bequest of real or personal property made to the Center; and

(C) to enter into contracts with individuals, public or private organizations, professional societies, and government agencies for the purpose of carrying out the functions of the Center.

(c) BOARD OF DIRECTORS; FUNCTIONS, AND DUTIES.—

(1) IN GENERAL.—A board of directors of the Center (referred to in this Act as the "Board") shall be established to oversee the administration of the Center. Such Board shall consist of 9 members to be appointed by the Secretary of Education, who—

(A) reflect representation from the public and private sectors; and

(B) shall provide, as nearly as practicable, a broad representation of various regions of the United States, various professions and occupations, and various kinds of talent and experience appropriate to the functions and responsibilities of the Center.

(2) ORGANIZATION AND OPERATION.—The board shall incorporate and operate the center in accordance with the laws governing tax exempt organizations in the District of Columbia.

(d) TRUST FUND USES.—

(1) USES OF FUNDS.—To achieve the objectives of this Act, the Director of the Center, after consultation with the Board, may use Trust funds—

(A) to support basic and applied research development and demonstrations of innovative learning and assessment systems as well as the components and tools needed to create them;

(B) to support the testing and evaluation of these systems; and

(C) to encourage the widespread adoption and use of effective approaches to learning.

(2) CONTRACTS AND GRANTS.—

(A) IN GENERAL.—In order to carry out the activities described in paragraph (1), the Director of the Center, with the agreement of a majority of the members of the Board, may award contracts and grants to colleges and universities, museums, libraries, public broadcasting entities and similar nonprofit organizations and public institutions (with or without private partners).

(B) PUBLIC DOMAIN.—

(i) IN GENERAL.—The research and development properties and materials associated with a project in which a majority of the funding used to carry out the project is from a grant or contract under this Act shall be freely and nonexclusively available to the general public in a timely manner.

(ii) EXEMPTION.—The Director of the Center may exempt specific projects from the requirement of clause (i) if the Director of the Center and a majority of the members of the Board determine that the general public will benefit significantly due to the project not being freely and nonexclusively available to the general public in a timely manner.

(C) PEER REVIEW.—To the extent practicable, proposals for grants or contracts shall be evaluated on the basis of comparative merit by panels of experts who represent diverse interests and perspectives, and who are appointed by the Director of the Center from recommendations from the fields served and from the Board of Directors.

(e) ACCOUNTABILITY AND REPORTING.—

(1) REPORT.—

(A) IN GENERAL.—Not later than April 30 of each year, the Director of the Center shall prepare a report for the preceding fiscal year that contains the information described in subparagraph (B).

(B) CONTENTS.—A report under subparagraph (A) shall include—

(i) a comprehensive and detailed report of the Center's operations, activities, financial condition, and accomplishments, and such recommendations as the Director of the Center determines appropriate;

(ii) a comprehensive and detailed inventory of funds distributed from the Trust Fund during the fiscal year for which the report is being prepared; and

(iii) an independent audit of the Trust Fund's finances and operations, and of the implementation of the goals established by the Board.

(C) STATEMENT OF THE BOARD.—Each report under subparagraph (A) shall include a statement from the Board containing—

(i) a clear description of the plans and priorities of the Board for the subsequent 5-year period for expenditures from the Trust Fund; and

(ii) an estimate of the funds that will be available for such expenditures from the Trust Fund.

(D) SUBMISSION TO THE PRESIDENT AND CONGRESS.—A report under this subsection shall be submitted to the President and the authorizing committees (as such term is defined in section 103 of the Higher Education Act of 1965 (20 U.S.C. 1003)).

(2) TESTIMONY.—The Director and principal officers of the Center shall testify before the appropriate committees of Congress, upon request of such committees, with respect to—

(A) a report prepared under paragraph (1)(A); and

(B) any other matter that such committees may determine appropriate.

(f) USE OF FUNDS SUBJECT TO APPROPRIATIONS.—The authority to award grants, enter into contracts, or otherwise to expend funds under this section is subject to the availability of amounts deposited into the Trust Fund under subsection (b)(3)(A) or (B), or amounts otherwise appropriated for such purposes by an Act of Congress.

SEC. 813. GAO STUDY OF EDUCATION RELATED INDEBTEDNESS OF MEDICAL SCHOOL GRADUATES.

(a) STUDY REQUIRED.—The Comptroller General shall conduct a study to evaluate the higher education related indebtedness of medical school graduates in the United States at the time of graduation.

(b) DEADLINE.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit a report on the study required by subsection (a) to the authorizing Committees (as such term is defined in section 103 of the Higher Education Act of 1965), and shall make the report widely available to the public. Additional reports may be periodically prepared and released as necessary.

TITLE IX—AMENDMENTS TO OTHER LAWS

PART A—EDUCATION OF THE DEAF ACT OF 1986

SEC. 901. LAURENT CLERC NATIONAL DEAF EDUCATION CENTER.

Section 104 of the Education of the Deaf Act of 1986 (20 U.S.C. 4304) is amended—

(1) by striking the section heading and inserting "**LAURENT CLERC NATIONAL DEAF EDUCATION CENTER**";

(2) in subsection (a)(1)(A), by inserting "the Laurent Clerc National Deaf Education Center (referred to in this section as the 'Clerc Center') to carry out" after "maintain and operate"; and

(3) in subsection (b)—

(A) in the matter preceding subparagraph (A) of paragraph (1), by striking "elementary and secondary education programs" and inserting "Clerc Center";

(B) in paragraph (2), by striking "elementary and secondary education programs" and inserting "Clerc Center";

(C) in paragraph (4)(C)—

(i) in clause (i), by striking "(6)" and inserting "(8)"; and

(ii) in clause (vi), by striking "(m)" and inserting "(o)"; and

(D) by adding at the end the following:

"(5) The University, for purposes of the elementary and secondary education programs carried out at the Clerc Center, shall—

"(A)(i)(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; or

"(II) develop such standards and assessments subject to the approval of 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—

"(i) the State that has adopted and implemented the standards and assessments selected under subparagraph (A)(i)(I); or

"(ii) the University, if the University develops standards and assessments in accordance with subparagraph (A)(i)(II); 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).".

SEC. 902. AGREEMENT WITH GALLAUDET UNIVERSITY.

Section 105(b)(4) of the Education of the Deaf Act of 1986 (20 U.S.C. 4305(b)(4)) is amended—

(1) by striking "the Act of March 3, 1931 (40 U.S.C. 276a–276a–5) commonly referred to as the Davis-Bacon Act" and inserting "subchapter IV of chapter 31 of title 40, United States Code, commonly referred to as the Davis-Bacon Act"; and

(2) by striking "section 2 of the Act of June 13, 1934 (40 U.S.C. 276c)" and inserting "section 3145 of title 40, United States Code".

SEC. 903. AGREEMENT FOR THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.

Section 112 of the Education of the Deaf Act of 1986 (20 U.S.C. 4332) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) in the first sentence—

(I) by striking "an institution of higher education" and inserting "the Rochester Institute of Technology, Rochester, New York"; and

(II) by striking "of a" and inserting "of the"; and

(ii) by striking the second sentence;

(B) by redesignating paragraph (2) as paragraph (3); and

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

"(2) If, pursuant to the agreement established under paragraph (1), either the Secretary or the Rochester Institute of Technology terminates the agreement, the Secretary shall consider proposals from other institutions of higher education and enter into an agreement with one of those institutions for the establishment and operation of a National Technical Institute for the Deaf."; and

(2) in subsection (b)—

(A) in paragraph (3), by striking "Committee on Labor and Human Resources of the Senate" and inserting "Committee on Health, Education, Labor, and Pensions of the Senate"; and

(B) in paragraph (5)—

(i) by striking "the Act of March 3, 1931 (40 U.S.C. 276a—276a–5) commonly referred to as the Davis-Bacon Act" and inserting "subchapter IV of chapter 31 of title 40, United States Code, commonly referred to as the Davis-Bacon Act"; and

(ii) by striking "section 2 of the Act of June 13, 1934 (40 U.S.C. 276c)" and inserting "section 3145 of title 40, United States Code".

SEC. 904. AUDIT.

Section 203 of the Education of the Deaf Act of 1986 (20 U.S.C. 4353) is amended—

(1) in subsection (b)—

(A) in paragraph (2), by striking "sections" and all that follows through the period and inserting "sections 102(b), 105(b)(4), 112(b)(5), 203(c), 207(b)(2), subsections (c) through (f) of section 207, and subsections (b) and (c) of section 209."; and

(B) in paragraph (3), by inserting "and the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate" after "Secretary"; and

(2) in subsection (c)(2)(A), by striking "Committee on Labor and Human Resources of the Senate" and inserting "Committee on Health, Education, Labor, and Pensions of the Senate".

SEC. 905. REPORTS.

Section 204 of the Education of the Deaf Act of 1986 (20 U.S.C. 4354) is amended—

(1) in the matter preceding paragraph (1), by striking "Committee on Labor and Human Resources of the Senate" and inserting "Committee on Health, Education, Labor, and Pensions of the Senate";

(2) in paragraph (1), by striking "preparatory,";

(3) in paragraph (2)(C), by striking "upon graduation/completion" and inserting "on the date that is 1 year after the date of graduation or completion"; and

(4) in paragraph (3)(B), by striking "of the institution of higher education" and all that follows through the period and inserting "of NTID programs and activities.".

SEC. 906. MONITORING, EVALUATION, AND REPORTING.

Section 205 of the Education of the Deaf Act of 1986 (20 U.S.C. 4355) is amended—

(1) in the first sentence of subsection (a), by striking "preparatory,";

(2) in subsection (b), by striking "The Secretary, as part of the annual report required under section 426 of the Department of Education Organization Act, shall include a description of" and inserting "The Secretary shall annually transmit information to Congress on"; and

(3) in subsection (c), by striking "fiscal years 1998 through 2003" and inserting "fiscal years 2008 through 2013".

SEC. 907. LIAISON FOR EDUCATIONAL PROGRAMS.

Section 206(a) of the Education of the Deaf Act of 1986 (20 U.S.C. 4356(a)) is amended by striking "Not later than 30 days after the date of enactment of this Act, the" and inserting "The".

SEC. 908. FEDERAL ENDOWMENT PROGRAMS FOR GALLAUDET UNIVERSITY AND THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.

Section 207(h) of the Education of the Deaf Act of 1986 (20 U.S.C. 4357(h)) is amended by striking "fiscal years 1998 through 2003" each place it appears and inserting "fiscal years 2008 through 2013".

SEC. 909. OVERSIGHT AND EFFECT OF AGREEMENTS.

Section 208(a) of the Education of the Deaf Act of 1986 (20 U.S.C. 4359(a)) is amended by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate".

SEC. 910. INTERNATIONAL STUDENTS.

Section 209 of the Education of the Deaf Act of 1986 (20 U.S.C. 4359a) is amended—

(1) in subsection (a)—

(A) by striking "preparatory, undergraduate," and inserting "undergraduate";

(B) by striking "Effective with" and inserting the following:

"(1) IN GENERAL.—Except as provided in paragraph (2), effective with"; and

(C) by adding at the end the following:

"(2) DISTANCE LEARNING.—International students who participate in distance learning courses that are at NTID or the University and who are residing outside of the United States shall—

"(A) not be counted as international students for purposes of the cap on international students under paragraph (1), except that in any school year no United States citizen who applies to participate in distance learning courses that are at the University or NTID shall be denied participation in such courses because of the participation of an international student in such courses; and

"(B) not be charged a tuition surcharge, as described in subsection (b).";

and

(2) by striking subsections (b), (c), and (d), and inserting the following:

"(b) TUITION SURCHARGE.—Except as provided in subsections (a)(2)(B) and (c), the tuition for postsecondary international students enrolled in the University (including undergraduate and graduate students) or NTID shall include, for academic year 2008–2009 and any succeeding academic year, a surcharge of—

"(1) 100 percent for a postsecondary international student from a non-developing country; and

"(2) 50 percent for a postsecondary international student from a developing country.

"(c) REDUCTION OF SURCHARGE.—

"(1) IN GENERAL.—Beginning with the academic year 2008–2009, the University or NTID may reduce the surcharge—

"(A) under subsection (b)(1) from 100 percent to not less than 50 percent if—

"(i) a student described under subsection (b)(1) demonstrates need; and

"(ii) such student has made a good-faith effort to secure aid through such student's government or other sources; and

"(B) under subsection (b)(2) from 50 percent to not less than 25 percent if—

"(i) a student described under subsection (b)(2) demonstrates need; and

"(ii) such student has made a good faith effort to secure aid through such student's government or other sources.

"(2) DEVELOPMENT OF SLIDING SCALE.—The University and NTID shall develop a sliding scale model that—

"(A) will be used to determine the amount of a tuition surcharge reduction pursuant to paragraph (1); and

"(B) shall be approved by the Secretary.

"(d) DEFINITION.—In this section, the term 'developing country' means a country with a per-capita income of not more than $4,825, measured in 1999 United States dollars, as adjusted by the Secretary to reflect inflation since 1999.".

SEC. 911. RESEARCH PRIORITIES.

Section 210(b) of the Education of the Deaf Act of 1986 (20 U.S.C. 4359b(b)) is amended by striking "Committee on Education and the Workforce of the House of Representatives, and the Committee on Labor and Human Resources of the Senate" and inserting "Committee on Education and Labor of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions of the Senate".

SEC. 912. NATIONAL STUDY ON THE EDUCATION OF THE DEAF.

(a) CONDUCT OF STUDY.—Subsection (a)(1) of section 211 of the Education of the Deaf Act of 1986 (20 U.S.C. 4360) is amended by inserting after "The Secretary shall" the following: "establish a commission on the education of the deaf (in this section referred to as the 'commission') to".

(b) PUBLIC INPUT AND CONSULTATION.—Subsection (b) of such section is amended by striking "Secretary" each place it appears and inserting "commission".

(c) REPORT.—Subsection (c) of such section is amended—

(1) in the matter preceding paragraph (1), by striking "Secretary" and all that follows through "1998" and inserting "commission shall report to the Secretary and Congress not later than 18 months after the date of the enactment of the College Opportunity and Affordability Act of 2007"; and

(2) in paragraph (1)—

(A) by striking "recommendations," and inserting "recommendations relating to educated-related factors that contribute to successful postsecondary education experiences and employment for individuals who are deaf,"; and

(B) by striking "Secretary" and inserting "commission".

(d) AUTHORIZATION OF APPROPRIATIONS.—Subsection (d) of such section is amended by striking "$1,000,000 for each of the fiscal years 1999 and 2000" and inserting "such sums as may be necessary for each of the fiscal years 2008 and 2009".

SEC. 913. AUTHORIZATION OF APPROPRIATIONS.

Section 212 of the Education of the Deaf Act of 1986 (20 U.S.C. 4360a) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by striking "fiscal years 1998 through 2003" and inserting "fiscal years 2008 through 2013"; and

(2) in subsection (b), by striking "fiscal years 1998 through 2003" and inserting "fiscal years 2008 through 2013".

PART B—INDIAN EDUCATION

Subpart 1—Tribal Colleges and Universities

SEC. 921. REAUTHORIZATION OF THE TRIBALLY CONTROLLED COLLEGE OR UNIVERSITY ASSISTANCE ACT OF 1978.

(a) CLARIFICATION OF THE DEFINITION OF NATIONAL INDIAN ORGANIZATION.—Section 2(a)(6) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(a)(6)) is amended by striking "in the field of Indian education" and inserting "in the fields of tribally controlled colleges and universities and Indian higher education".

(b) INDIAN STUDENT COUNT.—Section 2(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(a)) is amended—

(1) by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively; and

(2) by inserting after paragraph (6) the following:

"(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;".

(c) CONTINUING EDUCATION.—Section 2(b) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(b)) is amended—

(1) in the matter preceding paragraph (1), by striking "paragraph (7) of subsection (a)" and inserting "subsection (a)(8)";

(2) by striking paragraph (5) and inserting the following:

"(5) DETERMINATION OF CREDITS.—Eligible credits earned in a continuing education program—

"(A) shall be determined as 1 credit for every 10 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 limited to 10 percent of the Indian student count of a tribally controlled college or university."; and

(3) by striking paragraph (6).

(d) ACCREDITATION REQUIREMENT.—Section 103 of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1804) is amended—

(1) in paragraph (2), by striking "and" at the end;

(2) in paragraph (3), by striking the period at the end and inserting "; and"; and

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

"(4)(A) is accredited by a nationally recognized accrediting agency or association determined by the Secretary of Education to be a reliable authority with regard to the quality of training offered; or

"(B) according to such an agency or association, is making reasonable progress toward accreditation.".

(e) TECHNICAL ASSISTANCE CONTRACTS.—Section 105 of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1805) is amended—

(1) by striking the section designation and heading and all that follows through "The Secretary shall" and inserting the following:

"SEC. 105. TECHNICAL ASSISTANCE CONTRACTS.

"(a) TECHNICAL ASSISTANCE.—

"(1) IN GENERAL.—The Secretary shall";

(2) in the second sentence, by striking "In the awarding of contracts for technical assistance, preference shall be given" and inserting the following:

"(2) DESIGNATED ORGANIZATION.—The Secretary shall require that a contract for technical assistance under paragraph (1) shall be awarded"; and

(3) in the third sentence, by striking "No authority" and inserting the following:

"(b) EFFECT OF SECTION.—No authority".

(f) AMOUNT OF GRANTS.—Section 108(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1808(a)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting the subparagraphs appropriately;

(2) by striking "(a) Except as provided in section 111," and inserting the following:

"(a) REQUIREMENT.—

"(1) IN GENERAL.—Except as provided in paragraph (2) and section 111,";

(3) in paragraph (1) (as redesignated by paragraphs (1) and (2))—

(A) in the matter preceding subparagraph (A) (as redesignated by paragraph (1))—

(i) by striking "him" and inserting "the Secretary"; and

(ii) by striking "product of" and inserting "product obtained by multiplying";

(B) in subparagraph (A) (as redesignated by paragraph (1)), by striking "section 2(a)(7)" and inserting "section 2(a)(8)"; and

(C) in subparagraph (B) (as redesignated by paragraph (1)), by striking "$6,000," and inserting "$8,000, as adjusted annually for inflation."; and

(4) by striking "except that no grant shall exceed the total cost of the education program provided by such college or university." and inserting the following:

"(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.".

(g) GENERAL PROVISIONS REAUTHORIZATION.—Section 110(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1810(a)) is amended—

(1) in paragraphs (1), (2), (3), and (4), by striking "1999" and inserting "2008";

(2) in paragraphs (1), (2), and (3), by striking "4 succeeding" and inserting "5 succeeding";

(3) in paragraph (2), by striking "$40,000,000" and inserting "such sums as may be necessary";

(4) in paragraph (3), by striking "$10,000,000" and inserting "such sums as may be necessary"; and

(5) in paragraph (4), by striking "succeeding 4" and inserting "5 succeeding".

(h) ENDOWMENT PROGRAM REAUTHORIZATION.—Section 306(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1836(a)) is amended—

(1) by striking "1999" and inserting "2008"; and

(2) by striking "4 succeeding" and inserting "5 succeeding".

(i) TRIBAL ECONOMIC DEVELOPMENT REAUTHORIZATION.—Section 403 of the Tribal Economic Development and Technology Related Education Assistance Act of 1990 (25 U.S.C. 1852) is amended—

(1) by striking "$2,000,000 for fiscal year 1999" and inserting "such sums as may be necessary for fiscal year 2008"; and

(2) by striking "4 succeeding" and inserting "5 succeeding".

(j) TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS.—

(1) IN GENERAL.—The Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.) is amended by adding at the end the following:

"TITLE V—TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS

"SEC. 501. DEFINITION OF TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTION.

"In this title, the term 'tribally controlled postsecondary career and technical institution' has the meaning given the term in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302).

"SEC. 502. TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS PROGRAM.

"(a) IN GENERAL.—Subject to the availability of appropriations, for fiscal year 2008 and each fiscal year thereafter, the Secretary shall—

"(1) subject to subsection (b), select 2 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 2 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, 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 (7) 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.

"(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 College Opportunity and Affordability Act of 2007.

"(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 institutions 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 2008 and each fiscal year thereafter to carry out this title.".

(2) CONFORMING AMENDMENTS.—Section 117 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2327) is amended—

(A) by striking subsection (a) and inserting the following:

"(a) GRANT PROGRAM.—Subject to the availability of appropriations, the Secretary shall make grants under this section, to provide basic support for the education and training of Indian students, to tribally controlled postsecondary career and technical institutions that are not receiving Federal assistance as of the date on which the grant is provided under—

"(1) title I of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1802 et seq.); or

"(2) the Navajo Community College Act (25 U.S.C. 640a et seq.)."; and

(B) by striking subsection (d) and inserting the following:

"(d) APPLICATIONS.—To be eligible to receive a grant under this section, a tribally controlled postsecondary career and technical institution that is not receiving Federal assistance under title I of the Tribally Controlled College or University Assist-

ance Act (25 U.S.C. 1802 et seq.) or the Navajo Community College Act (25 U.S.C. 640a et seq.) shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.".

(k) SHORT TITLE.—

(1) IN GENERAL.—The first section of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 note; Public Law 95–471) is amended to read as follows:

"SECTION 1. SHORT TITLE.

"This Act may be cited as the 'Tribally Controlled Colleges and Universities Assistance Act of 1978'.".

(2) REFERENCES.—Any reference in law (including regulations) to the Tribally Controlled College or University Assistance Act of 1978 shall be considered to be a reference to the "Tribally Controlled Colleges and Universities Assistance Act of 1978".

Subpart 2—Navajo Higher Education

SEC. 931. REAUTHORIZATION OF NAVAJO COMMUNITY COLLEGE ACT.

(a) PURPOSE.—Section 2 of the Navajo Community College Act (25 U.S.C. 640a) is amended—

(1) by striking "Navajo Tribe of Indians" and inserting "Navajo Nation"; and

(2) by striking "the Navajo Community College" and inserting "Diné College".

(b) GRANTS.—Section 3 of the Navajo Community College Act (25 U.S.C. 640b) is amended—

(1) in the first sentence—

(A) by inserting "the" before "Interior";

(B) by striking "Navajo Tribe of Indians" and inserting "Navajo Nation"; and

(C) by striking "the Navajo Community College" and inserting "Diné College"; and

(2) in the second sentence—

(A) by striking "Navajo Tribe" and inserting "Navajo Nation"; and

(B) by striking "Navajo Indians" and inserting "Navajo people".

(c) STUDY OF FACILITIES NEEDS.—Section 4 of the Navajo Community College Act (25 U.S.C. 640c) is amended—

(1) in subsection (a)—

(A) in the first sentence—

(i) by striking "the Navajo Community College" and inserting "Diné College"; and

(ii) by striking "August 1, 1979" and inserting "October 31, 2010"; and

(B) in the second sentence, by striking "Navajo Tribe" and inserting "Navajo Nation";

(2) in subsection (b), by striking "the date of enactment of the Tribally Controlled Community College Assistance Act of 1978" and inserting "October 1, 2007"; and

(3) in subsection (c), in the first sentence, by striking "the Navajo Community College" and inserting "Diné College".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 5 of the Navajo Community College Act (25 U.S.C. 640c–1) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "$2,000,000" and all that follows through the end of the paragraph and inserting "such sums as are necessary for fiscal years 2008 through 2013."; and

(B) by adding at the end the following:

"(3) Sums described in paragraph (2) shall be used to provide grants for construction activities, including the construction of buildings, water and sewer facilities, roads, information technology and telecommunications infrastructure, classrooms, and external structures (such as walkways).";

(2) in subsection (b)(1)—

(A) in the matter preceding subparagraph (A)—

(i) by striking "the Navajo Community College" and inserting "Diné College"; and

(ii) by striking ", for each fiscal year" and all that follows through "for—" and inserting "such sums as are necessary for fiscal years 2008 through 2013 to pay the cost of—";

(B) in subparagraph (A)—

(i) by striking "college" and inserting "College";

(ii) in clauses (i) and (iii), by striking the commas at the end of the clauses and inserting semicolons; and

(iii) in clause (ii), by striking ", and" at the end and inserting "; and";

(C) in subparagraph (B), by striking the comma at the end and inserting a semicolon;

(D) in subparagraph (C), by striking ", and" at the end and inserting a semicolon;

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

(F) by adding at the end the following:

"(E) improving and expanding the College, including by providing, for the Navajo people and others in the community of the College—

"(i) higher education programs;

"(ii) career and technical education;

"(iii) activities relating to the preservation and protection of the Navajo language, philosophy, and culture;

"(iv) employment and training opportunities;

"(v) economic development and community outreach; and

"(vi) a safe learning, working, and living environment."; and

(3) in subsection (c), by striking "the Navajo Community College" and inserting "Diné College".

(e) EFFECT ON OTHER LAWS.—Section 6 of the Navajo Community College Act (25 U.S.C. 640c–2) is amended—

(1) by striking "the Navajo Community College" each place it appears and inserting "Diné College"; and

(2) in subsection (b), by striking "college" and inserting "College".

(f) PAYMENTS; INTEREST.—Section 7 of the Navajo Community College Act (25 U.S.C. 640c–3) is amended by striking "the Navajo Community College" each place it appears and inserting "Diné College".

PART C—HIGHER EDUCATION AMENDMENTS OF 1998; HIGHER EDUCATION AMENDMENTS OF 1992

SEC. 941. GRANTS FOR TRAINING FOR INCARCERATED INDIVIDUALS.

Part D of title VIII of the Higher Education Amendments of 1998 (20 U.S.C. 1151) is amended to read as follows:

"PART D—GRANTS FOR TRAINING FOR INCARCERATED INDIVIDUALS

"SEC. 821. GRANTS FOR IMPROVED WORKPLACE AND COMMUNITY TRANSITION TRAINING FOR INCARCERATED INDIVIDUALS.

"(a) DEFINITION.—In this section:

"(1) INCARCERATED INDIVIDUAL.—The term 'incarcerated individual' means a male or female offender who is incarcerated in a State or Federal prison, including a prerelease facility.

"(2) SECRETARY.—The term 'Secretary' means the Secretary of Education.

"(b) GRANT PROGRAM.—The Secretary—

"(1) shall establish a program in accordance with this section to provide grants to the State correctional education agencies in the States, and to the Federal Bureau of Prisons, to assist and encourage incarcerated individuals to acquire educational and job skills, through—

"(A) coursework to prepare students to take college-level courses, such as remedial math and English for postsecondary preparation;

"(B) the pursuit of a postsecondary education certificate, or an associate or bachelor's degree, provided by a regionally or nationally accredited body while in prison; and

"(C) employment counseling and other related services which start during incarceration and end not later than 1 year after release from confinement; and

"(2) may establish such performance objectives and reporting requirements for State correctional education agencies and the Federal Bureau of Prisons receiving grants under this section as the Secretary determines are necessary to assess the effectiveness of the program under this section.

"(c) APPLICATION.—To be eligible for a grant under this section, a State correctional education agency or the Federal Bureau of Prisons shall submit to the Secretary a proposal for an incarcerated individual program that—

"(1) identifies the scope of the problem, including the number of incarcerated individuals in need of postsecondary education and vocational training;

"(2) lists the accredited public or private educational institution or institutions with campuses established outside the prison facility that will provide postsecondary preparatory or postsecondary educational services;

"(3) lists the cooperating agencies, public and private, or businesses that will provide related services, such as counseling in the areas of career development, substance abuse, health, and parenting skills;

"(4) describes specific performance objectives and evaluation methods (in addition to, and consistent with, any objectives established by the Secretary under subsection (b)(2)) that the State correctional education agency or the Federal Bureau of Prisons will use in carrying out its proposal, including—

"(A) specific and quantified student outcome measures that are referenced to outcomes for non-program participants with similar demographic characteristics; and

"(B) measures, consistent with the data elements and definitions described in subsection (d)(1)(A), of—

"(i) program completion, including an explicit definition of what constitutes a program completion within the proposal;

"(ii) knowledge and skill attainment, including specification of instruments that will measure knowledge and skill attainment;

"(iii) attainment of employment both prior to and subsequent to release;

"(iv) success in employment indicated by job retention and advancement; and

"(v) recidivism, including such subindicators as time before subsequent offense and severity of offense;

"(5) describes how the proposed programs are to be integrated with existing State and Federal correctional education programs (such as adult education, graduate education degree programs, and vocational training) and State and Federal prison industry programs; and

"(6) describes how the proposed programs will have considered or will utilize technology to deliver the services under this section.

"(d) PROGRAM REQUIREMENTS.—Each State correctional education agency and Federal Bureau of Prisons entity receiving a grant under this section shall—

"(1) annually report to the Secretary regarding—

"(A) the results of the evaluations conducted using data elements and definitions provided by the Secretary for the use of State correctional education programs and the Federal Bureau of Prisons;

"(B) any objectives or requirements established by the Secretary pursuant to subsection (b)(2);

"(C) the additional performance objectives and evaluation methods contained in the proposal described in subsection (c)(4) as necessary to document the attainment of project performance objectives; and

"(D) how the funds provided under this section are being allocated among postsecondary preparatory education, postsecondary academic, and vocational education programs; and

"(2) provide to each State and the Federal Bureau of Prisons for each student eligible under subsection (e) not more than—

"(A) $3,000 annually for tuition, books, and essential materials; and

"(B) $300 annually for related services such as career development, substance abuse counseling, parenting skills training, and health education.

"(e) EDUCATION DELIVERY SYSTEMS.—State correctional education agencies, the Federal Bureau of Prisons, and cooperating institutions shall, to the extent practicable, use high-tech applications in developing programs to meet the requirements and goals of this section.

"(f) LENGTH OF PARTICIPATION.—Services carried out with a grant under this section shall be available to incarcerated individuals as follows:

"(1) Educational services shall start during the period of incarceration or prerelease and shall end upon release.

"(2) Related services shall start during the period of incarceration or prerelease and may continue for not more than one year after release.

"(g) FEDERAL BUREAU OF PRISONS GRANT ELIGIBILITY.—Notwithstanding any other provision of law, the Federal Bureau of Prisons shall be eligible to apply for and receive a grant under this section, provided that the Federal Bureau of Prisons meets the application and program requirements under this section.

"(h) ALLOCATION OF FUNDS.—

"(1) STATES.—From the funds appropriated pursuant to subsection (i) for each fiscal year, the Secretary shall allot to each State an amount that bears the same ratio to such funds as the total number of incarcerated individuals in such State bears to the total number of such incarcerated individuals in all States.

"(2) FEDERAL BUREAU OF PRISONS FACILITIES.—From the funds appropriated pursuant to subsection (h) for each fiscal year, the Secretary shall allot to each Federal Bureau of Prisons facility an amount that bears the same ratio to such funds as the total number of inmates in such facility bears to the total number of inmates in all Bureau of Prisons facilities.

"(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 4 succeeding fiscal years.".

SEC. 942. UNDERGROUND RAILROAD.

Section 841(c) of the Higher Education Amendments of 1998 (20 U.S.C. 1153(c)) is amended by striking "this section" and all that follows through the period at the end and inserting "this section $3,000,000 for fiscal years 2009 and the 4 succeeding fiscal years.".

SEC. 943. REPEALS OF EXPIRED AND EXECUTED PROVISIONS.

The following provisions of the Higher Education Amendments of 1998 are repealed:

(1) STUDY OF MARKET MECHANISMS IN FEDERAL STUDENT LOAN PROGRAMS.—Section 801 (20 U.S.C. 1018 note).

(2) STUDY OF FEASIBILITY OF ALTERNATE FINANCIAL INSTRUMENTS FOR DETERMINING LENDER YIELDS.—Section 802.

(3) STUDENT RELATED DEBT STUDY.—Section 803 (20 U.S.C. 1015 note).

(4) COMMUNITY SCHOLARSHIP MOBILIZATION.—Part C of title VIII (20 U.S.C. 1070 note).

(5) IMPROVING UNITED STATES UNDERSTANDING OF SCIENCE, ENGINEERING, AND TECHNOLOGY IN EAST ASIA.—Part F of title VIII (42 U.S.C. 1862 note).

(6) WEB-BASED EDUCATION COMMISSION.—Part J of title VIII.

SEC. 944. OLYMPIC SCHOLARSHIPS.

Section 1543(d) of the Higher Education Amendments of 1992 (20 U.S.C. 1070 note) is amended by striking "1999" and inserting "2009".

SEC. 945. ESTABLISHMENT OF ASSISTANT SECRETARY FOR INTERNATIONAL AND FOREIGN LANGUAGE EDUCATION.

(a) IN GENERAL.—Section 202 of the Department of Education Organization Act (20 U.S.C. 3412) is amended in subsection (b)(1)—

(1) in subparagraph (E) by striking "and" at the end;

(2) by redesignating subparagraph (F) as subparagraph (G); and

(3) by inserting after subparagraph (E) the following:

"(F) an Assistant Secretary for International and Foreign Language Education; and".

(b) FUNCTIONS.—Such section is further amended by adding at the end the following:

"(j) The Assistant Secretary for International and Foreign Language Education—

"(1) shall be an individual with extensive background and experience in international and foreign language education; and

"(2) notwithstanding any other provision of law, shall report directly to the Secretary.".

(c) CONFORMING AMENDMENT.—Such section is further amended in subsection (e)—

(1) in paragraph (4), by adding "and" at the end;

(2) in paragraph (5), by striking "; and" at the end and inserting a period; and

(3) by striking paragraph (6).

(d) OFFICE OF INTERNATIONAL AND FOREIGN LANGUAGE EDUCATION.—Title II of the Department of Education Organization Act is amended by inserting after section 207 (20 U.S.C. 3417) the following:

"OFFICE OF INTERNATIONAL AND FOREIGN LANGUAGE EDUCATION

"SEC. 207A. There shall be in the Department an Office of International and Foreign Language Education, to be administered by the Assistant Secretary for International and Foreign Language Education appointed under section 202(b). In addition to performing such functions affecting international and foreign language education as the Secretary may prescribe, the Assistant Secretary shall—

"(1) have responsibility for encouraging and promoting the study of foreign languages and the study of cultures of other countries at the elementary, secondary, and postsecondary levels in the United States;

"(2) carry out the administration of all Department programs on international and foreign language education and research;

"(3) coordinate with related international and foreign language education programs of other Federal departments and agencies; and

"(4) administer and coordinate the Department of Education's activities in international affairs.".

PART D—JUSTICE DEPARTMENT PROGRAMS

SEC. 951. LOAN REPAYMENT FOR PROSECUTORS AND DEFENDERS.

Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711 et seq.) is amended by adding at the end the following:

"PART JJ—LOAN REPAYMENT FOR PROSECUTORS AND PUBLIC DEFENDERS

"SEC. 3111. GRANT AUTHORIZATION.

"(a) PURPOSE.—The purpose of this section is to encourage qualified individuals to enter and continue employment as prosecutors and public defenders.

"(b) DEFINITIONS.—In this section:

"(1) PROSECUTOR.—The term 'prosecutor' means a full-time employee of a State or local agency who—

"(A) is continually licensed to practice law; and

"(B) prosecutes criminal or juvenile delinquency cases (or both) at the State or local level, including an employee who supervises, educates, or trains other persons prosecuting such cases.

"(2) PUBLIC DEFENDER.—The term 'public defender' means an attorney who—

"(A) is continually licensed to practice law; and

"(B) is—

"(i) a full-time employee of a State or local agency who provides legal representation to indigent persons in criminal or juvenile delinquency cases (or both), including an attorney who supervises, educates, or trains other persons providing such representation;

"(ii) a full-time employee of a nonprofit organization operating under a contract with a State or unit of local government, who devotes substantially all of such full-time employment to providing legal representation to indigent persons in criminal or juvenile delinquency cases (or both), including an attorney who supervises, educates, or trains other persons providing such representation; or

"(iii) employed as a full-time Federal defender attorney in a defender organization established pursuant to subsection (g) of section 3006A of title 18, United States Code, that provides legal representation to indigent persons in criminal or juvenile delinquency cases (or both).

"(3) STUDENT LOAN.—The term 'student loan' means—

"(A) a loan made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.);

"(B) a loan made under part D or E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087a et seq. and 1087aa et seq.); and

"(C) a loan made under section 428C or 455(g) of the Higher Education Act of 1965 (20 U.S.C. 1078–3 and 1087e(g)) to the extent that such loan was used to repay a Federal Direct Stafford Loan, a Federal Direct Unsubsidized Stafford Loan, or a loan made under section 428 or 428H of such Act.

"(c) PROGRAM AUTHORIZED.—The Attorney General shall, subject to the availability of appropriations, establish a program by which the Department of Justice shall assume the obligation to repay a student loan, by direct payments on behalf of a borrower to the holder of such loan, in accordance with subsection (d), for any borrower who—

"(1) is employed as a prosecutor or public defender; and

"(2) is not in default on a loan for which the borrower seeks forgiveness.

"(d) TERMS OF LOAN REPAYMENT.—

"(1) BORROWER AGREEMENT.—To be eligible to receive repayment benefits under subsection (c), a borrower shall enter into a written agreement with the Attorney General that specifies that—

"(A) the borrower will remain employed as a prosecutor or public defender for a required period of service of not less than 3 years, unless involuntarily separated from that employment;

"(B) if the borrower is involuntarily separated from employment on account of misconduct, or voluntarily separates from employment, before the end of the period specified in the agreement, the borrower will repay the Attorney General the amount of any benefits received by such employee under this section; and

"(C) if the borrower is required to repay an amount to the Attorney General under subparagraph (B) and fails to repay such amount, a sum equal to that amount shall be recoverable by the Federal Government from the employee (or such employee's estate, if applicable) by such methods as are provided by law for the recovery of amounts owed to the Federal Government.

"(2) REPAYMENT BY BORROWER.—

"(A) IN GENERAL.—Any amount repaid by, or recovered from, an individual or the estate of an individual under this subsection shall be credited to the appropriation account from which the amount involved was originally paid.

"(B) MERGER.—Any amount credited under subparagraph (A) shall be merged with other sums in such account and shall be available for the same purposes and period, and subject to the same limitations, if any, as the sums with which the amount was merged.

"(C) WAIVER.—The Attorney General may waive, in whole or in part, a right of recovery under this subsection if it is shown that recovery would be against equity and good conscience or against the public interest.

"(3) LIMITATIONS.—

"(A) STUDENT LOAN PAYMENT AMOUNT.—Student loan repayments made by the Attorney General under this section shall be made subject to the availability of appropriations, and subject to such terms, limitations, or conditions as may be mutually agreed upon by the borrower and the Attorney General in an agreement under paragraph (1), except that the amount paid by the Attorney General under this section shall not exceed—

"(i) $10,000 for any borrower in any calendar year; or

"(ii) an aggregate total of $60,000 in the case of any borrower.

"(B) BEGINNING OF PAYMENTS.—Nothing in this section shall authorize the Attorney General to pay any amount to reimburse a borrower for any repayments made by such borrower prior to the date on which the Attorney General entered into an agreement with the borrower under this subsection.

"(e) ADDITIONAL AGREEMENTS.—

"(1) IN GENERAL.—On completion of the required period of service under an agreement under subsection (d), the borrower and the Attorney General may, subject to paragraph (2), enter into an additional agreement in accordance with subsection (d).

"(2) TERM.—An agreement entered into under paragraph (1) may require the borrower to remain employed as a prosecutor or public defender for less than 3 years.

"(f) AWARD BASIS; PRIORITY.—

"(1) AWARD BASIS.—The Attorney General shall provide repayment benefits under this section—

"(A) subject to the availability of appropriations; and

"(B) in accordance with paragraph (2), except that the Attorney General shall determine a fair allocation of repayment benefits among prosecutors and defenders, and among employing entities nationwide.

"(2) PRIORITY.—In providing repayment benefits under this section in any fiscal year, the Attorney General shall give priority to borrowers—

"(A) who, when compared to other eligible borrowers, have the least ability to repay their student loans (considering whether the borrower is the beneficiary of any other student loan repayment program), as determined by the Attorney General; or

"(B) who—

"(i) received repayment benefits under this section during the preceding fiscal year; and

"(ii) have completed less than 3 years of the first required period of service specified for the borrower in an agreement entered into under subsection (d).

"(g) REGULATIONS.—The Attorney General is authorized to issue such regulations as may be necessary to carry out the provisions of this section.

"(h) REPORT BY INSPECTOR GENERAL.—Not later than 3 years after the date of the enactment of this section, the Inspector General of the Department of Justice shall submit to Congress a report on—

"(1) the cost of the program authorized under this section; and

"(2) the impact of such program on the hiring and retention of prosecutors and public defenders.

"(i) GAO STUDY.—Not later than one year after the date of the enactment of this section, the Comptroller General shall conduct a study of, and report to Congress on, the impact that law school accreditation requirements and other factors have on the costs of law school and student access to law school, including the impact of such requirements on racial and ethnic minorities.

"(j) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $25,000,000 for each of the fiscal years 2008 through 2013.".

SEC. 952. NATIONAL CENTER FOR CAMPUS PUBLIC SAFETY.

(a) IN GENERAL.—The Attorney General of the United States is authorized to make grants, through the Office of Community Oriented Policing Services, to establish and operate a National Center for Campus Public Safety (referred to in this section as the "Center"). The Center shall—

(1) provide quality education and training for campus public safety agencies and the agencies' collaborative partners, including campus mental health agencies;

(2) foster quality research to strengthen the safety and security of the institutions of higher education in the United States;

(3) serve as a clearinghouse for the identification and dissemination of information, policies, procedures, and best practices relevant to campus public safety, including the prevention of violence against persons and property and emergency response and evacuation procedures;

(4) develop protocols, in conjunction with the Attorney General, the Secretary of Homeland Security, the Secretary of Education, State, local, and tribal governments and law enforcement agencies, private and nonprofit organizations and associations, and other stakeholders, to prevent, protect against, respond to, and recover from, natural and man-made emergencies or dangerous situations involving an immediate threat to the health or safety of the campus community;

(5) promote the development and dissemination of effective behavioral threat assessment and management models to prevent campus violence;

(6) coordinate campus safety information and resources available from the Department of Justice, the Department of Homeland Security, the Department of Education, State, local, and tribal governments and law enforcement agencies, and private and nonprofit organizations and associations;

(7) increase cooperation, collaboration, and consistency in prevention, response, and problem-solving methods among law enforcement, mental health, and other agencies and jurisdictions serving institutions of higher education in the United States;

(8) develop standardized formats and models for mutual aid agreements and memoranda of understanding between campus security agencies and other public safety organizations and mental health agencies; and

(9) report annually to Congress and the Attorney General on activities performed by the Center during the previous 12 months.

(b) COORDINATION WITH AVAILABLE RESOURCES.—In establishing the Center, the Attorney General shall—

(1) consult with the Secretary of Homeland Security, the Secretary of Education, and the Attorneys General of each State; and

(2) coordinate the establishment and operation of the Center with campus public safety resources that may already be available within the Department of Homeland Security and the Department of Education.

(c) DEFINITION OF INSTITUTION OF HIGHER EDUCATION.—In this section, 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).

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $2,750,000 for each of the fiscal years 2008 and 2009 and such sums as may be necessary thereafter.

SEC. 953. PRIVATE LOAN FORGIVENESS.

Section 209 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(i) This section does not prohibit—

"(1) a public or private institution of higher education from providing an officer or employee of the executive branch of the United States Government, of

any independent agency of the United States, or of the District of Columbia who is a current or former student of such institution, financial assistance for the purpose of repaying a student loan or providing forbearance of student loan repayment: Provided, that such repaying or providing forbearance—

"(A) is not provided exclusively to officers and employees of the executive branch of the United States Government, of any independent agency of the United States, and of the District of Columbia; and

"(B) is provided to any such officer or employee—

"(i) in accordance with a written, published policy of the institution relating to repaying or providing forbearance, respectively, for students who perform public service; and

"(ii) under the same terms and conditions as are available under such policy to other students of the institution who are performing public service and who qualify for such repayment or forbearance; and

"(2) an officer or employee of the executive branch of the United States Government, of any independent agency of the United States, or of the District of Columbia from receiving repayment or forbearance permitted under paragraph (1).".

PART E—STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT OF 1980

SEC. 961. ESTABLISHMENT OF PROGRAM.

Section 5 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3704) is amended by inserting the following after subsection (b):

"(c) MINORITY SERVING INSTITUTION DIGITAL AND WIRELESS TECHNOLOGY OPPORTUNITY PROGRAM.—

"(1) IN GENERAL.—The Secretary shall establish a Minority Serving Institution Digital and Wireless Technology Opportunity Program to assist eligible institutions in acquiring, and augmenting their use of, digital and wireless networking technologies to improve the quality and delivery of educational services at eligible institutions.

"(2) AUTHORIZED ACTIVITIES.—An eligible institution may use a grant, cooperative agreement, or contract awarded under this subsection—

"(A) to acquire equipment, instrumentation, networking capability, hardware and software, digital network technology, wireless technology, and infrastructure to further the objective of the Program described in paragraph (1);

"(B) to develop and provide training, education, and professional development programs, including faculty development, to increase the use of, and usefulness of, digital and wireless networking technology;

"(C) to provide teacher education, including the provision of preservice teacher training and in-service professional development at eligible institutions, library and media specialist training, and preschool and teacher aid certification to individuals who seek to acquire or enhance technology skills in order to use digital and wireless networking technology in the classroom or instructional process, including instruction in science, mathematics, engineering, and technology subjects;

"(D) to obtain capacity-building technical assistance, including through remote technical support, technical assistance workshops, and distance learning services; and

"(E) to foster the use of digital and wireless networking technology to improve research and education, including scientific, mathematics, engineering, and technology instruction.

"(3) APPLICATION AND REVIEW PROCEDURES.—

"(A) IN GENERAL.—To be eligible to receive a grant, cooperative agreement, or contract under this subsection, an eligible institution shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Such application, at a minimum, shall include a description of how the funds will be used, including a description of any digital and wireless networking technology to be acquired, and a description of how the institution will ensure that digital and wireless networking will be made accessible to, and employed by, students, faculty, and administrators. The Secretary, consistent with subparagraph (C) and in consultation with the advisory council established under subparagraph (B), shall establish procedures to review such applications. The Secretary shall publish the application requirements and review cri-

teria in the Federal Register, along with a statement describing the availability of funds.

"(B) ADVISORY COUNCIL.—The Secretary shall establish an advisory council to advise the Secretary on the best approaches to encourage maximum participation by eligible institutions in the program established under paragraph (1), and on the procedures to review proposals submitted to the program. In selecting the members of the advisory council, the Secretary shall consult with representatives of appropriate organizations, including representatives of eligible institutions, to ensure that the membership of the advisory council includes representatives of minority businesses and eligible institution communities. The Secretary shall also consult with experts in digital and wireless networking technology to ensure that such expertise is represented on the advisory council.

"(C) REVIEW PANELS.—Each application submitted under this subsection by an eligible institution shall be reviewed by a panel of individuals selected by the Secretary to judge the quality and merit of the proposal, including the extent to which the eligible institution can effectively and successfully utilize the proposed grant, cooperative agreement, or contract to carry out the program described in paragraph (1). The Secretary shall ensure that the review panels include representatives of minority serving institutions and others who are knowledgeable about eligible institutions and technology issues. The Secretary shall ensure that no individual assigned under this subsection to review any application has a conflict of interest with regard to that application. The Secretary shall take into consideration the recommendations of the review panel in determining whether to award a grant, cooperative agreement, or contract to an eligible institution.

"(D) INFORMATION DISSEMINATION.—The Secretary shall convene an annual meeting of eligible institutions receiving grants, cooperative agreements, or contracts under this subsection to foster collaboration and capacity-building activities among eligible institutions.

"(E) MATCHING REQUIREMENT.—The Secretary may not award a grant, cooperative agreement, or contract to an eligible institution under this subsection unless such institution agrees that, with respect to the costs incurred by the institution in carrying out the program for which the grant, cooperative agreement, or contract was awarded, such institution shall make available, directly, or through donations from public or private entities, non-Federal contributions in an amount equal to one-quarter of the grant, cooperative agreement, or contract awarded by the Secretary, or $500,000, whichever is the lesser amount. The Secretary shall waive the matching requirement for any institution or consortium with no endowment, or an endowment that has a current dollar value lower than $50,000,000.

"(F) AWARDS.—

"(i) LIMITATION.—An eligible institution that receives a grant, cooperative agreement, or contract under this subsection that exceeds $2,500,000 shall not be eligible to receive another grant, cooperative agreement, or contract.

"(ii) CONSORTIA.—Grants, cooperative agreements, and contracts may only be awarded to eligible institutions. Eligible institutions may seek funding under this subsection for consortia which may include other eligible institutions, a State or a State education agency, local education agencies, institutions of higher education, community-based organizations, national nonprofit organizations, or businesses, including minority businesses.

"(iii) PLANNING GRANTS.—The Secretary may provide funds to develop strategic plans to implement such grants, cooperative agreements, or contracts.

"(iv) INSTITUTIONAL DIVERSITY.—In awarding grants, cooperative agreements, and contracts to eligible institutions, the Secretary shall ensure, to the extent practicable, that awards are made to all types of institutions eligible for assistance under this subsection.

"(v) NEED.—In awarding funds under this subsection, the Secretary shall give priority to the institution with the greatest demonstrated need for assistance.

"(G) ANNUAL REPORT AND EVALUATION.—

"(i) ANNUAL REPORT REQUIRED FROM RECIPIENTS.—Each institution that receives a grant, cooperative agreement, or contract awarded under this subsection shall provide an annual report to the Secretary on its use of the grant, cooperative agreement, or contract.

"(ii) INDEPENDENT ASSESSMENT.—Not later than 6 months after the date of enactment of this subsection, the Secretary shall enter into a contract with the National Academy of Public Administration to conduct periodic assessments of the program. The Assessments shall be conducted once every 3 years during the 10-year period following the enactment of this subsection. The assessments shall include an evaluation of the effectiveness of the program in improving the education and training of students, faculty and staff at eligible institutions that have been awarded grants, cooperative agreements, or contracts under the program; an evaluation of the effectiveness of the program in improving access to, and familiarity with, digital and wireless networking technology for students, faculty, and staff at all eligible institutions; an evaluation of the procedures established under paragraph (3)(A); and recommendations for improving the program, including recommendations concerning the continuing need for Federal support. In carrying out its assessments, the National Academy of Public Administration shall review the reports submitted to the Secretary under clause (i).

"(iii) REPORT TO CONGRESS.—Upon completion of each independent assessment carried out under clause (ii), the Secretary shall transmit the assessment to Congress along with a summary of the Secretary's plans, if any, to implement the recommendations of the National Academy of Public Administration.

"(H) DEFINITIONS.—In this subsection:

"(i) DIGITAL AND WIRELESS NETWORKING TECHNOLOGY.—The term 'digital and wireless networking technology' means computer and communications equipment and software that facilitates the transmission of information in a digital format.

"(ii) ELIGIBLE INSTITUTION.—The term 'eligible institution' means an institution that is—

"(I) a historically Black college or university that is a part B institution, as defined in section 322(2) of the Higher Education Act of 1965 (20 U.S.C. 1061(2)), an institution described in section 326(e)(1)(A), (B), or (C) of that Act (20 U.S.C. 1063b(e)(1)(A), (B), or (C)), or a consortium of institutions described in this subparagraph;

"(II) a Hispanic-serving institution, as defined in section 502(a)(5) of the Higher Education Act of 1965 (20 U.S.C. 1101a(a)(5));

"(III) a tribally controlled college or university, as defined in section 316(b)(3) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b)(3));

"(IV) an Alaska Native-serving institution under section 317(b) of the Higher Education Act of 1965 (20 U.S.C. 1059d(b));

"(V) a Native Hawaiian-serving institution under section 317(b) of the Higher Education Act of 1965 (20 U.S.C. 1059d(b)); or

"(VI) an institution of higher education (as defined in section 365 of the Higher Education Act of 1965 (20 U.S.C. 1067k)) with an enrollment of needy students (as defined in section 312(d) of the Higher Education Act of 1965 (20 U.S.C. 1058(d))).

"(iii) 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).

"(iv) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

"(v) MINORITY BUSINESS.—The term 'minority business' includes HUBZone small business concerns (as defined in section 3(p) of the Small Business Act (15 U.S.C. 632(p))).

"(vi) MINORITY INDIVIDUAL.—The term 'minority individual' means an American Indian, Alaskan Native, Black (not of Hispanic origin), Hispanic (including persons of Mexican, Puerto Rican, Cuban and Central or South American origin), or Pacific Islander individual.

"(vii) STATE.—The term 'State' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

"(viii) STATE EDUCATIONAL AGENCY.—The term 'State educational agency' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).".

SEC. 962. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary of Commerce to carry out section 5(c) of the Stevenson-Wydler Technology Innovation Act of 1980—

(1) $250,000,000 for fiscal year 2008; and

(2) such sums as may be necessary for each of the fiscal years 2009 through 2012.

TITLE X—PRIVATE STUDENT LOAN TRANSPARENCY AND IMPROVEMENT

SEC. 1001. SHORT TITLE.

This title may be cited as the "Private Student Loan Transparency and Improvement Act of 2007".

SEC. 1002. DEFINITIONS.

As used in this title—

(1) the term "Board" means the Board of Governors of the Federal Reserve System;

(2) the term "covered educational institution"—

(A) means any educational institution that offers a postsecondary educational degree, certificate, or program of study (including any institution of higher education); and

(B) includes an agent or employee of the educational institution;

(3) the terms "Federal banking agencies" and "appropriate Federal banking agency" have the same meanings as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813);

(4) the term "institution of higher education" has the same meaning as in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002);

(5) the term "postsecondary educational expenses" means any of the expenses that are included as part of the cost of attendance of a student, as defined under section 472 of the Higher Education Act of 1965 (20 U.S.C. 1087ll);

(6) the term "private educational lender" means any creditor (as defined in section 103 of the Truth in Lending Act) which solicits, makes, or extends private educational loans; and

(7) the term "private educational loan"—

(A) means a loan provided by a private educational lender that—

(i) is not made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); and

(ii) is issued by a private educational lender expressly for postsecondary educational expenses to a student, or the parent of the student, regardless of whether the loan involves enrollment certification by the educational institution that the student attends, or whether the loan is provided through the educational institution that the subject student attends or directly to the borrower from the lender; and

(B) does not include an extension of credit under an open end consumer credit plan, a residential mortgage transaction (as those terms are defined in section 103 of the Truth in Lending Act), or any other loan that is secured by real property or a dwelling.

SEC. 1003. REGULATIONS.

The Board shall issue final regulations to implement this title and the amendments made by this title not later than 180 days after the date of enactment of this title.

SEC. 1004. EFFECTIVE DATES.

This title and the amendments made by this title shall become effective 180 days after the date on which regulations to carry out this title and the amendments made by this title are issued in final form.

Subtitle A—Preventing Unfair and Deceptive Private Educational Lending Practices and Eliminating Conflicts of Interest

SEC. 1011. AMENDMENT TO THE TRUTH IN LENDING ACT.

(a) IN GENERAL.—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by adding at the end the following new section:

"§ 140. Preventing unfair and deceptive private educational lending practices and eliminating conflicts of interest

"(a) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

"(1) COVERED EDUCATIONAL INSTITUTION.—The term 'covered educational institution'—

"(A) means any educational institution that offers a postsecondary educational degree, certificate, or program of study (including any institution of higher education); and

"(B) includes an agent or employee of the educational institution.

"(2) GIFT.—The term 'gift'—

"(A) means any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a de minimis amount, including 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;

"(B) does not include—

"(i) standard informational material related to a loan or financial literacy (such as a brochure);

"(ii) food, refreshments, training, or informational material furnished to an employee or agent of a covered educational institution, as an integral part of a training session that is designed to improve the service of the private educational lender to the covered educational institution, if such training contributes to the professional development of the employee or agent of the covered educational institution; or

"(iii) favorable terms, conditions, and borrower benefits on an educational loan provided to a student employed by the covered educational institution if such terms, conditions, or benefits are comparable to those provided to all students of the institution; and

"(C) includes a gift to a family member of an officer, employee, or agent of a covered institution, or a gift to any other individual based on that individual's relationship with 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) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the same meaning as in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002).

"(4) POSTSECONDARY EDUCATIONAL EXPENSE.—The term 'postsecondary educational expenses' means any of the expenses that are included as part of the cost of attendance of a student, as defined under section 472 of the Higher Education Act of 1965 (20 U.S.C. 1087ll).

"(5) PRIVATE EDUCATIONAL LENDER.—The term 'private educational lender' means a creditor which solicits, makes, or extends private educational loans.

"(6) PRIVATE EDUCATIONAL LOAN.—The term 'private educational loan'—

"(A) means a loan provided by a private educational lender that—

"(i) is not made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); and

"(ii) is issued by a private educational lender expressly for postsecondary educational expenses to a student, or the parent of the student, regardless of whether the loan involves enrollment certification by the educational institution that the student attends, or whether the loan is provided through the educational institution that the subject student attends or directly to the borrower from the lender; and

"(B) does not include an extension of credit under an open end consumer credit plan, a residential mortgage transaction, or any other loan that is secured by real property or a dwelling.

"(7) REVENUE SHARING.—the term 'revenue sharing' means an arrangement between a covered educational institution and a private educational lender under which—

"(A) a private educational lender provides or issues private educational loans to students attending the covered educational institution or to the parents of such students;

"(B) the covered educational institution recommends to students or others the private educational lender or the private educational loans of the private educational lender; and

"(C) the private educational lender pays a fee or provides other material benefits, including profit or revenue sharing, to the covered educational in-

stitution or to the officers, employees, or agents of the covered educational institution in connection with the private educational loans provided to students attending the covered educational institution or a borrower acting on behalf of a student.

"(b) PROHIBITION ON CERTAIN GIFTS AND ARRANGEMENTS.—A private educational lender, including any officer or employee thereof, may not, directly or indirectly—

"(1) offer or provide any gift to a covered educational institution or a covered educational institution employee, nor may such covered educational institution, officer, or employee receive any such gift, in exchange for any advantage or consideration provided to such private educational lender related to its private educational loan activities; or

"(2) engage in revenue sharing with a covered educational institution.

"(c) PROHIBITION ON CO-BRANDING.—A private educational lender may not use the name, emblem, mascot, or logo of the covered educational institution, or other words, pictures, or symbols readily identified with the covered educational institution, in the marketing of private educational loans in any way that implies that the covered educational institution endorses the private educational loans offered by the lender.

"(d) BAN ON PARTICIPATION ON ADVISORY COUNCILS.—

"(1) IN GENERAL.—An officer, employee, or agent who is employed in the financial aid office of a covered institution, or who otherwise has responsibilities with respect to private educational loans, shall not serve on or otherwise participate with advisory councils of private educational lenders or affiliates of such lenders.

"(2) RULES OF CONSTRUCTION.—No provision of this subsection shall be construed as—

"(A) prohibiting private educational lenders from seeking advice from covered institutions or groups of covered institutions (including through telephonic or electronic means, or a meeting) in order to improve products and services for borrowers, to the extent that no gifts or compensation (including for transportation, lodging, or related expenses) are provided by private educational lenders in connection with seeking this advice from such institutions; or

"(B) prohibiting an employee, officer, or agent of a covered institution from serving on the board of directors of a private educational lender, if required by State law.

"(e) PROHIBITION ON PREPAYMENT OR REPAYMENT FEES OR PENALTY.—It shall be unlawful for any private educational lender to impose a fee or penalty on a borrower, directly or indirectly, for early repayment or prepayment, of any private educational loan.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 2 of the Truth in Lending Act is amended by inserting after the item relating to section 139 the following new item:

"140. Preventing unfair and deceptive private educational lending practices and eliminating conflicts of interest.".

SEC. 1012. CIVIL LIABILITY.

Section 130 of the Truth in Lending Act (15 U.S.C. 1640) is amended—

(1) in subsection (a)—

(A) in paragraph (3), by inserting "or section 128(e)(8)" after "section 125"; and

(B) in the fourth sentence of the undesignated matter at the end—

(i) by striking "125 or" and inserting "125,"; and

(ii) by inserting "or of section 128(e)," before "or for failing"; and

(2) in subsection (e), by inserting before the first period, the following: "or, in the case of a violation involving a private educational loan, 1 year from the date on which the first regular payment of principal is due under the loan".

Subtitle B—Improved Disclosures for Private Educational Loans

SEC. 1021. PRIVATE EDUCATIONAL LOAN DISCLOSURES AND LIMITATIONS.

Section 128 of the Truth in Lending Act (15 U.S.C. 1638) is amended by adding at the end the following new subsection:

"(e) TERMS AND DISCLOSURE WITH RESPECT TO PRIVATE EDUCATIONAL LOANS.—

"(1) DISCLOSURES REQUIRED IN PRIVATE EDUCATIONAL LOAN APPLICATIONS AND SOLICITATIONS.—In any application for a private educational loan, or a solicita-

tion for a private educational loan without requiring an application, the creditor shall disclose to the borrower, clearly and conspicuously—

"(A) the potential range of rates of interest applicable to the private educational loan;

"(B) whether the rate of interest applicable to the private educational loan is fixed or variable;

"(C) limitations on interest rate adjustments, both in terms of frequency and amount, or the lack thereof;

"(D) requirements for a co-borrower, including any changes in the applicable interest rates without a co-borrower;

"(E) potential finance charges, late fees, penalties, and adjustments to principal, based on defaults or late payments of the borrower;

"(F) fees or range of fees applicable to the private educational loan;

"(G) the term of the private educational loan;

"(H) whether interest will accrue while the student to whom the private educational loan relates is enrolled at an institution of higher education;

"(I) payment deferral options, including whether the deferment would apply to interest or principal, or both;

"(J) general eligibility criteria for the private educational loan;

"(K) an example of the total cost of the private educational loan over the life of the loan—

"(i) which shall be calculated using the principal amount and the maximum rate of interest actually offered by the creditor; and

"(ii) calculated both with and without capitalization of interest, if that is an option for postponing interest payments;

"(L) a statement that an institution of higher education may have school-specific educational loan benefits and terms not detailed on the disclosure form;

"(M) that the borrower may qualify for Federal financial assistance through a program under title IV of the Higher Education Act of 1965, in lieu of, or in addition to, a loan from a non-Federal source;

"(N) the interest rates available with respect to such Federal financial assistance through a program under title IV of the Higher Education Act of 1965;

"(O) that the consumer may obtain additional information concerning such Federal financial assistance from their institution of higher education or at the website of the Department of Education;

"(P) that, as provided in paragraph (6)—

"(i) the borrower shall have up to 30 calendar days following the date on which the application for the private educational loan is approved and the borrower receives the disclosure documents required under this subsection for the loan to accept the terms of the private educational loan and consummate the transaction; and

"(ii) except for changes based on adjustments to the index used for a loan, the rates and terms of the loan may not be changed by the creditor during that 30-day period; and

"(Q) such other information as the Board shall prescribe, by rule, as necessary or appropriate for consumers to make informed borrowing decisions.

"(2) WRITTEN ACKNOWLEDGMENT OF RECEIPT.—In each case in which a disclosure is provided pursuant to paragraph (1) and an application initiated, a creditor shall obtain a written acknowledgment from the consumer that the consumer has read and understood the disclosure.

"(3) DISCLOSURES AT THE TIME OF PRIVATE EDUCATIONAL LOAN APPROVAL.—Subject to the rules of the Board, contemporaneously with the approval of a private educational loan application, and before the loan transaction is consummated, the creditor shall disclose to the borrower, clearly and conspicuously—

"(A) the applicable rate of interest in effect on the date of approval;

"(B) whether the rate of interest applicable to the private educational loan is fixed or variable;

"(C) limitations on interest rate adjustments, both in terms of frequency and amount, or the lack thereof;

"(D) the initial approved principal amount;

"(E) applicable finance charges, late fees, penalties, and adjustments to principal, based upon borrower defaults or late payments;

"(F) the maximum term under the private educational loan program;

"(G) an estimate of the total amount for repayment, at both the interest rate in effect on the date of approval and at the maximum possible rate of

interest actually offered by the creditor, to the extent that such maximum rate may be determined, or if not, a good faith estimate thereof;

"(H) any principal and interest payments required while the student to whom the private educational loan relates is enrolled at an institution of higher education and interest which will accrue during such enrollment;

"(I) payment deferral options, including whether the deferment would apply to interest or principal, or both;

"(J) whether monthly payments are graduated;

"(K) that, as provided in paragraph (7)—

"(i) the borrower shall have up to 30 calendar days following the date on which the application for the private educational loan is approved and the borrower receives the disclosure documents required under this subsection for the loan to accept the terms of the private educational loan and consummate the transaction; and

"(ii) except for changes based on adjustments to the index used for a loan, the rates and terms of the loan may not be changed by the creditor during that 30-day period;

"(L) that the borrower may qualify for Federal financial assistance through a program under title IV of the Higher Education Act of 1965, in lieu of, or in addition to, a loan from a non-Federal source;

"(M) the interest rates available with respect to such Federal financial assistance through a program under title IV of the Higher Education Act of 1965;

"(N) the maximum monthly payment, calculated using the maximum rate of interest actually offered by the creditor, to the extent that such maximum rate may be determined, or if not, a good faith estimate thereof; and

"(O) such other information as the Board shall prescribe, by rule, as necessary or appropriate for consumers to make informed borrowing decisions.

"(4) PROVISION OF INFORMATION.—Before a creditor may issue any funds with respect to an extension of credit described in paragraph (1) for an amount equal to more than $1,000, the creditor shall notify the relevant institution of higher education, in writing, of the proposed extension of credit and the amount thereof.

"(5) DISCLOSURES AT THE TIME OF PRIVATE EDUCATIONAL LOAN CONSUMMATION.—Subject to the regulations prescribed by the Board, contemporaneously with the consummation of a private educational loan, the creditor shall make each of the disclosures described in subparagraphs (A) through (J) and (L) through (O) of paragraph (3) to the borrower.

"(6) FORMAT OF DISCLOSURES.—Disclosures required under paragraphs (1), (3), and (5) shall appear in a clearly legible, uniform format, subject to section 122(c).

"(7) EFFECTIVE PERIOD OF APPROVED RATE OF INTEREST AND LOAN TERMS.—

"(A) IN GENERAL.—With respect to a private educational loan, the borrower shall have the right to accept the terms of the loan and consummate the transaction at any time within 30 calendar days following the date on which the application for the private educational loan is approved and the borrower receives the disclosure documents required under this subsection for the loan, and the rates and terms of the loan may not be changed by the creditor during that period, subject to the rules of the Board.

"(B) PROHIBITION ON CHANGES.—Except for changes based on adjustments to the index used for a loan, the rates and terms of the loan may not be changed by the creditor prior to the earlier of—

"(i) the date of acceptance of the terms of the loan and consummation of the transaction by the borrower, as described in subparagraph (A); or

"(ii) the expiration of the 30-day period referred to in subparagraph (A).

"(C) PROHIBITION ON DISBURSEMENT.—No funds may be disbursed with respect to a private educational loan until acceptance of the loan by the borrower under subparagraph (A) and the expiration of the 3-day period under paragraph (7).

"(8) RIGHT TO CANCEL.—With respect to a private educational loan, the borrower may cancel the loan, without penalty to the borrower, at any time within 3 business days of the date on which the loan is consummated, subject to the rules of the Board. No funds may be transferred to the borrower during that 3-day period.

"(9) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

"(A) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the same meaning as in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002).

"(B) PRIVATE EDUCATIONAL LENDER.—The term 'private educational lender' means any creditor engaged in the business of soliciting, making, or extending private educational loans.

"(C) PRIVATE EDUCATIONAL LOAN.—The term 'private educational loan'—

"(i) means a loan provided by a private educational lender that—

"(I) is not made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); and

"(II) is issued by a private educational lender expressly for post-secondary educational expenses to a student, or the parent of the student, regardless of whether the loan involves enrollment certification by the educational institution that the student attends, or whether the loan is provided through the educational institution that the subject student attends or directly to the borrower from the lender; and

"(ii) does not include an extension of credit under an open end consumer credit plan, a reverse mortgage transaction, a residential mortgage transaction, or any other loan that is secured by real property or a dwelling.".

SEC. 1022. APPLICATION OF TRUTH IN LENDING ACT TO ALL PRIVATE EDUCATIONAL LOANS.

Section 104(3) of the Truth in Lending Act (15 U.S.C. 1603(3)) is amended by inserting "and other than private educational loans (as that term is defined in section 140(a))" after "consumer".

Subtitle C—Financial Literacy

SEC. 1031. COORDINATED EDUCATION EFFORTS.

(a) IN GENERAL.—The Secretary of the Treasury (in this section referred to as the "Secretary"), in coordination with the Secretary of Education, the Secretary of Agriculture (with respect to land grant covered educational institutions), and any other appropriate agency that is a member of the Financial Literacy and Education Commission established under the Financial Literacy and Education Improvement Act (20 U.S.C. 9701 et seq.), shall seek to enhance financial literacy among students at institutions of higher education through—

(1) the development of initiatives, programs, and curricula that improve student awareness of the short- and long-term costs associated with educational loans and other debt assumed while in college, their repayment obligations, and their rights as borrowers; and

(2) assisting such students in navigating the financial aid process.

(b) DUTIES.—For purposes of this section, the Secretary, working in conjunction with the Secretary of Education, the Secretary of Agriculture, and the Financial Literacy and Education Commission, shall—

(1) identify programs that promote or enhance financial literacy for college students, with specific emphasis on programs that impart the knowledge and ability for students to best navigate the financial aid process, including those that involve partnerships between nonprofit organizations, colleges and universities, State and local governments, and student organizations;

(2) evaluate the effectiveness of such programs in terms of measured results, including positive behavioral change among college students;

(3) promote the programs identified as being the most effective; and

(4) encourage institutions of higher education to implement financial education programs for their students, including those that have the highest evaluations.

(c) REPORT.—

(1) IN GENERAL.—Not later than 2 years after the date of enactment of this title, the Financial Literacy and Education Commission shall submit a report to Congress on the state of financial education among students at institutions of higher education.

(2) CONTENT.—The report required by this subsection shall include a description of progress made in enhancing financial education with respect to student understanding of financial aid, including the programs and evaluations required by this section.

(3) APPEARANCE BEFORE CONGRESS.—The Secretary shall, upon request, provide testimony before the Committee on Banking, Housing, and Urban Affairs of the Senate concerning the report required by this subsection.

Subtitle D—Study and Report on Nonindividual Information

SEC. 1041. STUDY AND REPORT ON NONINDIVIDUAL INFORMATION.

(a) STUDY.—The Comptroller General of the United States (in this section referred to as the "Comptroller") conduct a study—

(1) on the impact on and benefits to borrowers of the inclusion of nonindividual factors, including cohort default rate, accreditation, and graduation rate at institutions of higher education, used in the underwriting criteria to determine the pricing of private educational loans;

(2) to examine whether and to what extent the inclusion of such nonindividual factors—

(A) increases access to private educational loans for borrowers who lack credit history or results in less favorable rates for such borrowers; and

(B) impacts the types of private educational loan products and rates available at certain institutions of higher education, including a comparison of such impact—

(i) on private and public institutions; and

(ii) on historically Black colleges and universities (defined for purposes of this section as a "part B institution", within the meaning of section 322 of the Higher Education Act of 1965 (20 U.S.C. 1061)) and other colleges and universities; and

(3) to assess the extent to which the use of such nonindividual factors in underwriting may have a disparate impact on the pricing of private educational loans, based on gender, race, income level, and institution of higher education.

(b) REPORT.—Not later than 1 year after the date of enactment of this title, the Comptroller shall submit a report to Congress on the results of the study required by this section.

Subtitle E—Incentives For Low-Cost Educational Loans

SEC. 1051. CRA CREDIT FOR LOW-COST EDUCATIONAL LOANS.

Section 804 of the Community Reinvestment Act of 1977 (12 U.S.C. 2903) is amended by adding at the end the following new subsection:

"(d) LOW-COST EDUCATIONAL LOANS.—In assessing and taking into account, under subsection (a), the record of a financial institution, the appropriate Federal financial supervisory agency shall consider, as a factor, low-cost educational loans provided by the financial institution to low-income borrowers.".

I. PURPOSE

H.R. 4137, the College Opportunity and Affordability Act of 2007, reauthorizes the Higher Education Act of 1965 to make college more affordable and accessible. The bill includes reforms to encourage colleges to rein in price increases and provide consumers with helpful information, restore integrity and accountability to the student loan programs, simplify the federal student aid application process, make textbook costs more manageable, strengthen our workforce and competitiveness, expand college access and support for low-income and minority students, increase college aid and support for veterans and military families, ensure equal college opportunities for students with disabilities, and boost campus safety and disaster readiness plans.

II. COMMITTEE ACTION

The Committee on Education and Labor and the Subcommittees on Higher Education, Lifelong Learning, and Competitiveness held a total of thirty-five hearings in Washington, D.C. and across the country, as well as a series of site visits to many institutions of

higher education in preparation for and as part of the reauthorization of the Higher Education Act.

107TH CONGRESS

Hearings—First session

In April 2001, the Committee on Education and the Workforce, Subcommittee on Select Education, held a field hearing in Oklahoma City, Oklahoma, on "Responding to the Needs of Historically Black Colleges and Universities in the 21st Century," to examine the unique role of Historically Black Colleges and Universities (HBCUs) and their role in the higher education system. In July 2001, the Committee on Education and the Workforce, Subcommittee on Select Education, held another field hearing on "Responding to the Needs of Historically Black Colleges and Universities in the 21st Century." The hearing was held in Wilberforce, Ohio and continued the examination of the unique role of HBCUs and their role in the higher education system.

In June 2001, the Committee on Education and the Workforce, Subcommittee on 21st Century Competitiveness, held a hearing in Washington, D.C., on "H.R. 1992, the Internet Equity and Education Act of 2001," to hear testimony on the provisions in H.R. 1992 introduced by Representative Johnny Isakson (R–GA) on May 24, 2001. In October 2001, the Committee on Education and the Workforce, Subcommittees on 21st Century Competitiveness and Select Education, jointly held a hearing in Washington, D.C., on "Tracking International Students in Higher Education—Policy Options and Implications for Students." The purpose of the hearing was to examine issues related to international students and their attendance at U.S. institutions of higher education.

Second session

In February 2002, the Committee on Education and the Workforce, Subcommittees on 21st Century Competitiveness and Select Education, held a joint hearing in Washington, D.C., on "Responding to the Needs of Historically Black Colleges and Universities in the 21st Century." The hearing examined the unique role of and issues confronted by HBCUs. In July 2002, the Committee on Education and the Workforce held a hearing in Washington, D.C., on "Access to Higher Education for Low-Income Students: A Review of the Advisory Committee on Student Financial Assistance Report." The purpose of the hearing was to consider access to postsecondary education, specifically for low-income students, by examining two reports released by the Advisory Committee on Student Financial Assistance, entitled "Empty Promises—The Myth of College Access in America" (July 2002) and "Access Denied" (February 2001).

In September 2002, the Committee on Education and the Workforce, Subcommittees on 21st Century Competitiveness and Select Education held a joint hearing in Washington, D.C., on "Responding to the Needs of Historically Black Colleges and Universities in the 21st Century." The purpose of the hearing was to continue to explore the unique role HBCUs play in providing postsecondary education to students. Also in September 2002, the Committee on Education and the Workforce, Subcommittees on 21st Century Competitiveness and Select Education held a joint hearing in

Washington, D.C., on "Homeland Security: Tracking International Students in Higher Education—Progress & Issues Since 9–11." The purpose of the hearing was to learn about the implementation of the Student Exchange and Visitor Information System (SEVIS); outstanding issues in rendering SEVIS fully operational; and the interaction between institutions of higher education, the Immigration and Naturalization Service (INS) and the United States Department of State.

In October 2002, the Committee on Education and the Workforce, Subcommittee on 21st Century Competitiveness held a hearing in Washington, D.C., on "Assuring Quality and Accountability in Postsecondary Education: Assessing the Role of Accreditation." The purpose of the hearing was to learn more about the accreditation process, the nature of the interaction between regional and national accreditors, and the specific roles and responsibilities of accrediting agencies. Also in October 2002, the Committee on Education and the Workforce held a hearing in Washington, D.C., on "The Rising Price of a Quality Postsecondary Education: Fact or Fiction?" to examine the effects of the increasing costs of a postsecondary education on students and families. Finally, the Committee on Education and the Workforce, Subcommittee on 21st Century Competitiveness held a hearing in October 2002 in Washington, D.C., on "Training Tomorrow's Teachers: Ensuring a Quality Postsecondary Education." The purpose of the hearing was to examine the effectiveness of the competitive grant programs authorized under title II of the Higher Education Act and also to examine the accountability provisions for teacher preparation programs under the Act.

Legislative action—First session

On May 24, 2001, Representatives Johnny Isakson (R–GA), John Boehner (R–OH), Howard P. "Buck" McKeon (R–CA), Mike Castle (R–DE), and Bob Goodlatte (R–VA) introduced H.R. 1992, the Internet Equity and Education Act of 2001, to amend the Higher Education Act and repeal the 50 percent rule for telecommunications and make additional reforms regarding distance education. In June 2001, the Subcommittee on 21st Century Competitiveness considered H.R. 1992 in legislative session and reported it favorably, as amended, to the Committee on Education and the Workforce by voice vote. In August 2001, the Committee on Education and the Workforce considered H.R. 1992 in legislative session and reported it favorably, as amended, to the House of Representatives by a vote of 31–10. The bill passed the House by a vote of 354–70, but was not considered in the Senate.

Legislative action—Second session

In July 2002, Representatives Lindsey Graham (R–SC), John Boehner (R–OH), Howard P. "Buck" McKeon (R–CA), Todd Platts (R–PA), James Greenwood (R–PA), Johnny Isakson (R–GA), Charlie Norwood (R–GA), John Cooksey (R–LA), Sam Graves (R–MO), Van Hilleary (R–TN), Todd Tiahrt (R–KS), Richard Burr (R–NC), Ileana Ros-Lehtinen (R–FL) introduced H.R. 5091, the Canceling Loans to Allow School Systems to Attract Classroom Teachers Act (CLASS ACT), which amended the Higher Education Act to provide discretionary loan forgiveness of up to $17,500 for math, science and special education teachers. In September 2002, the Committee

on Education and the Workforce considered H.R. 5091 in legislative session and reported the bill favorably, as amended to the House of Representatives by voice vote. In October 2002, the bill was considered and passed under suspension of the Rules in the House. No action was taken in the Senate.

108TH CONGRESS

Hearings—First session

In May 2003, the Committee on Education and the Workforce held a hearing in Washington, D.C., on "The State of American Higher Education: What Are Parents, Students and Taxpayers Getting for Their Money?" The purpose of the hearing was to learn whether institutions of higher education have taken any steps to help produce results and assist with lifelong career pursuits. The Committee on Education and the Workforce, Subcommittee on 21st Century Competitiveness, also held a hearing in Washington, D.C., on "America's Teacher Colleges: Are They Making the Grade?" in May 2003 to discuss whether teacher colleges and other teacher preparation programs are producing a competent cadre of teachers.

In June 2003, the Committee on Education and the Workforce, Subcommittee on Select Education, held a hearing in Washington, D.C., on "International Programs in Higher Education and Questions about Bias." The purpose of the hearing was to learn how programs authorized under title VI of the Higher Education Act can provide innovative ways to help bridge the international knowledge gap and also to further explore international education programs.

In July 2003, the Committee on Education and the Workforce, Subcommittee on 21st Century Competitiveness, held a hearing in Washington, D.C., on "Affordability in Higher Education: We Know There's a Problem; What's the Solution?" The purpose of the hearing was to examine the effects of ever-rising college tuition and debate some of the possible solutions to this problem. Also in July 2003, the Committee on Education and the Workforce, Subcommittee on 21st Century Competitiveness, held a hearing in Washington, D.C., on "Expanding Access to College in America: How the Higher Education Act Can Put College Within Reach." The purpose of this hearing was to examine national, state and local college access programs; to hear recommendations for improvements in these programs; and to learn what provisions in the law may currently prohibit some postsecondary institutions from accessing resources that would enable them to work more closely with various student populations. The Subcommittee on 21st Century Competitiveness, also held a hearing in Washington, D.C., on "Consolidation Loans: What's Best for Past Borrowers, Future Students & U.S. Taxpayers?" to learn how the consolidation loan program satisfies the mission of the Higher Education Act by increasing access and affordability to students pursuing postsecondary education, and to learn more about whether the program is fair for all borrowers.

In September 2003, the Committee on Education and the Workforce, Subcommittee on Select Education, held a hearing in Washington, D.C., on "Beyond Baccalaureate: Graduate Programs in the Higher Education Act." The purpose of the hearing was to learn about the various graduate programs authorized under title VII of

the Higher Education Act and to hear suggestions for the reauthorization of these programs. The Committee on Education and the Workforce, Subcommittee on 21st Century Competitiveness, held a hearing in Washington, D.C., on "H.R. 3039, the Expanding Opportunities in Higher Education Act of 2003" to hear testimony regarding the provisions in H.R. 3039, introduced by Representative Tom Cole (R–OK) on September 9, 2003. Also in September 2003, the Committee on Education and the Workforce, Subcommittee on 21st Century Competitiveness, held a hearing in Washington, D.C., on "The College Cost Crisis Report: Are Institutions Accountable Enough to Students and Parents?" to examine the findings in the report, to discuss the broad issue of affordability in higher education, and to hear possible solutions on how best to address the problem of increasing college costs.

In October 2003, the Committee on Education and the Workforce, Subcommittee on Select Education, held a field hearing in Edinburg, Texas, on "Expanding Opportunities in Higher Education: Honoring the Contributions of America's Hispanic Serving Institutions." The purpose of the field hearing was to learn about expanding educational opportunities for students at Hispanic Serving Institutions (HSIs).

Second session

In March 2004, the Committee on Education and the Workforce held a hearing in Washington, D.C., on "Fiscal Responsibility and Federal Consolidation Loans: Examining Cost Implications for Taxpayers, Students, and Borrowers." The purpose of the hearing was to examine the consolidation loan program and how student lending issues fit within the broader goal of expanding access to low- and middle-income students pursing a postsecondary education.

In May 2004, the Committee on Education and the Workforce held a hearing in Washington, D.C., on "H.R. 4283, the College Access and Opportunity Act of 2004." The purpose of this hearing was to examine the provisions in H.R. 4283. In June 2004, the Committee on Education and the Workforce held a hearing in Washington, D.C., on "H.R. 4283, the College Access & Opportunity Act: Are Students at Proprietary Institutions Treated Equitably Under Current Law?" The purpose of the hearing was to examine issues facing students attending eligible proprietary institutions of higher education.

In June 2004, the Committee on Education and the Workforce, Subcommittee on 21st Century Competitiveness, held a hearing in Washington, D.C., on "H.R. 4283, the College Access & Opportunity Act: Does Accreditation Provide Students and Parents Accountability and Quality?" The purpose of the hearing was to examine issues related to accountability in higher education and to analyze those sections in the bill that deal with the accreditation process for institutions and the recognition of accreditors by the United States Department of Education.

In July 2004, the Committee on Education and the Workforce held a full Committee hearing in Washington, D.C., on H.R. 4283, entitled "H.R. 4283, the College Access and Opportunity Act: Increasing the Focus on Graduation Rates and Student Outcomes." The purpose of this hearing was to examine issues regarding college graduation rates and the findings of a report issued by The

Education Trust entitled, "A Matter of Degrees: Improving Graduation Rates in Four-Year Colleges and Universities. Also in July, the Committee on Education and the Workforce, Subcommittee on 21st Century Competitiveness, held a hearing in Washington, D.C., entitled, "Are College Textbooks Priced Fairly?" to examine the issue of the high cost of textbooks on college campuses and the effect on a student's overall cost of higher education.

In September 2004, the Committee on Education and the Workforce, Subcommittee on 21st Century Competitiveness, held a hearing in Washington, D.C., entitled, "Are Current Safeguards Protecting Taxpayers Against Diploma Mills?" The purpose of this hearing was to examine issues related to diploma mills and their impact on the credibility of the higher education system.

Legislative action—First session

On January 29, 2003, Representatives Joe Wilson (R–SC), John Boehner (R–OH), Howard P. "Buck" McKeon (R–CA), Johnny Isakson (R–GA), Todd Platts (R–PA), James Greenwood (R–PA), Patrick Tiberi (R–OH), Tom Cole (R–OK), Mark Souder (R–IN), Richard Baker (R–LA), Sam Graves (R–MO) and Heather Wilson (R–NM) introduced H.R. 438, the Teacher Recruitment and Retention Act of 2003, which amended the Higher Education Act to provide up to $17,500 in loan forgiveness for math, science and special education teachers. In June 2003, the Subcommittee on 21st Century Competitiveness considered H.R. 438 in legislative session and reported it favorably, as amended, to the Committee on Education and the Workforce by voice vote. The bill passed the House by a vote of 417–7, but was not considered in the Senate.

On May 22, 2003, Representatives Phil Gingrey (R–GA), John Boehner (R–OH), Howard P. "Buck" McKeon (R–CA), and Joe Wilson (R–SC) introduced H.R. 2211, the Ready to Teach Act of 2003, to reauthorize teacher preparation provisions under title II of the Higher Education Act through fiscal year 2008. In June 2003, the Subcommittee on 21st Century Competitiveness considered H.R. 2211 in legislative session and reported it favorably, as amended, to the Committee on Education and the Workforce by voice vote. On June 10, 2003, the Committee on Education and the Workforce considered H.R. 2211 in legislative session and reported it favorably, as amended, to the House of Representatives by voice vote. The bill passed the House by a vote of 404–17, but was not considered in the Senate.

On September 11, 2003, Representatives Pete Hoekstra (R–MI), John Boehner (R–OH), Howard P. "Buck" McKeon (R–CA), James Greenwood (R–PA), Joe Wilson (R–SC), and Tom Cole (R–OK) introduced H.R. 3077, the International Studies in Higher Education Act of 2003, to reauthorize international education programs under title VI of the Higher Education Act through fiscal year 2009. The Subcommittee on Select Education considered H.R. 3077 in legislative session and reported it favorably, as amended, to the Committee on Education and the Workforce by voice vote. In September 2003, the Committee on Education and the Workforce considered H.R. 3077 in legislative session and reported it favorably, as amended, to the House of Representatives by voice vote. In October, the bill was considered and passed under suspension of the Rules in the House. No action was taken in the Senate.

On September 11, 2003, Representatives Pete Hoekstra (R–MI), John Boehner (R–OH), Howard P. "Buck" McKeon (R–CA), Johnny Isakson (R–GA), Patrick Tiberi (R–OH), Joe Wilson (R–SC), and Tom Cole (R–OK) introduced H.R. 3076, the Graduate Opportunities in Higher Education Act of 2003, to reauthorize graduate education programs under title VII of the Higher Education Act through fiscal year 2009. The Subcommittee on Select Education considered H.R. 3076 in legislative session and reported it favorably as amended to the Committee on Education and the Workforce by voice vote. The Committee on Education and the Workforce considered H.R. 3076 in legislative session and reported it favorably as amended to the House of Representatives by voice vote. In October, the bill was considered and passed under suspension of the Rules in the House. No action was taken in the Senate.

109TH CONGRESS

Hearings—First session

In March 2005, the Committee on Education and the Workforce held a hearing in Washington, D.C., entitled, "Enforcement of Federal Anti-Fraud Laws in For-Profit Education." The purpose of the hearing was to examine the effectiveness and enforcement of federal laws that exist to prevent fraud and abuse in for-profit education.

The Subcommittees on Select Education and 21st Century Competitiveness held a hearing in Washington, D.C., in March 2005, entitled, "Tracking International Students in Higher Education: A Progress Report." The purpose of the hearing was to learn about what had been accomplished in regard to the conditions under which individuals enter the country with the use of a student visa since the Subcommittees held joint hearings in October 2001, and September 2002.

In April 2005, the Committee on Education and the Workforce held a hearing in Washington, D.C., entitled, "College Access: Is Government Part of the Solution, or Part of the Problem?" This hearing served as a forum to discuss the effects of ever-rising college tuition costs and to debate some of the possible solutions to this problem. The Subcommittee on Select Education also held a field hearing in April 2005 in Columbus, Ohio, entitled, "International Education and Foreign Language Studies in Higher Education." The hearing was held to discuss international education and the respective programs under title VI of the Higher Education Act. Specifically, the Subcommittee sought to gather additional information about how institutions of higher education are working with local K–12 schools to promote international education opportunities.

In May 2005, the Committee on Education and the Workforce, Subcommittee on Select Education, held a field hearing entitled, "Expanding Opportunities for Graduate Study at Hispanic Serving Institution." The hearing was to discuss the need for graduate education programs under title V of the Higher Education Act. Also in May 2005, the Subcommittee on Select Education, held a hearing entitled, "College Credit Mobility: Can Transfer of Credit Policies be Improved?" to discuss college credit mobility policies at the insti-

tutional level, as well as to examine best practices at the state level on transfer of credits policies.

The Committee on Education and the Workforce, Subcommittee on 21st Century Competitiveness, held a hearing in May 2005 in Washington D.C., entitled, "Challenges to American Competitiveness in Math and Science." The purpose of the hearing was to explore how elementary and high schools are being creative with their math and science curricula to make these courses appealing to students. The hearing also examined what is being done at institutions of higher education to retain and graduate students who start their academic careers in math, science or engineering disciplines.

Legislative action—First session

On February 8, 2005, Representatives John Boehner (R–OH) and Howard P. "Buck" McKeon (R–CA) introduced H.R. 609, the College Access and Opportunity Act, to reauthorize the Higher Education Act (HEA) through fiscal year 2011. The Subcommittee on 21st Century Competitiveness considered H.R. 609 in legislative session on Wednesday, July 13 and Thursday, July 14, 2005 and reported it favorably, as amended to the Committee on Education and the Workforce by a vote of 18–15. The Committee on Education and the Workforce considered H.R. 609 in legislative session on Wednesday, July 20, Thursday, July 21 and Friday, July 22, 2005 and reported it favorably, as amended, to the House of Representatives, by a vote of 27–20, 1 present. H.R. 609 was passed by the House on March 30, 2006, by a vote of 221–199 (H. Rept. 109–231). S. 1614 was reported by the Senate, Health, Education, Labor and Pensions Committee on November 17, 2005, without a report. A report (S. Rept. 109–218) was subsequently filed on February 28, 2006. The bill was not considered on the Senate Floor during the 109th Congress.

On February 2, 2005, Representatives Patrick Tiberi (R–OH), John Boehner (R–OH), Howard P. "Buck" McKeon (R–CA), Joe Wilson (R–SC), Peter Hoekstra (R–MI), and Ruben Hinojosa (D–TX) introduced H.R. 509, the International Studies in Higher Education Act of 2005, to reauthorize international education programs under title VI of the Higher Education Act through fiscal year 2011. In June 2005, the Subcommittee on Select Education considered H.R. 509 in legislative session and reported it favorably, as amended, to the Committee on Education and the Workforce by voice vote.

On February 2, 2005, Representatives Patrick Tiberi (R–OH), John Boehner (R–OH), Howard P. "Buck" McKeon (R–CA), Vernon Ehlers (R–MI), Joe Wilson (R–SC), Peter Hoekstra (R–MI), and Ruben Hinojosa (D–TX) introduced H.R. 510, the Graduate Opportunities in Higher Education Act of 2005, to reauthorize graduate education programs under title VII of the Higher Education Act through fiscal year 2011. In June 2005, the Subcommittee on Select Education considered H.R. 510 in legislative session and reported it favorably, as amended, to the Committee on Education and the Workforce by voice vote.

110TH CONGRESS

As a result of the national Congressional elections in November 2006, the House of Representatives has transitioned from a body

led by a Republican Majority to a body led by a Democratic Majority. One of the consequences of the realignment was the restructuring of the Committee. The former Committee on Education and the Workforce and the Subcommittee on 21st Century Competitiveness have been renamed as the Committee on Education and Labor and the Subcommittee on Higher Education, Lifelong Learning and Competitiveness, respectively.

Hearings—First session

On Thursday, March 8, 2007, the Committee on Education and Labor, Subcommittee on Higher Education, Lifelong Learning and Competitiveness, held a hearing in Washington, D.C., on "The State of Higher Education: How Students Access and Finance a College Education". This was the first in a series of hearings leading to the reauthorization of the Higher Education Act of 1965 as amended. The purpose of the hearing was to hear testimony on whether students graduate with the skills they need to be successful in the workplace; whether all students are college ready and have an opportunity to attend some form of post secondary education; and, whether the cost of tuition is pricing students and families out of higher education. Testifying before the Subcommittee were Mr. James Merisotis, President, Institute for Higher Education Policy, Washington, D.C.; Dr. David Breneman, Dean and Professor, Curry School of Education, Charlottesville, VA.; Mr. Ross Wiener, Vice President for Program and Policy, Education Trust, Washington, D.C.; and Mr. Dan Soifer, Executive Vice President, Lexington Institute, Arlington, VA.

On Thursday, March 22, 2007, the Committee on Education and Labor, Subcommittee on Higher Education, Lifelong Learning and Competitiveness, held a hearing in Washington, D.C., on "The Higher Education Act: Approaches to College Preparation". The purpose of the hearing was to hear testimony on how college preparation programs complement student aid by providing services and incentives for eligible students to increase their secondary and postsecondary attainment. Testifying before the Subcommittee were Dr. Maria Martinez, Director, Center for Academic Programs, University of Connecticut, Storrs-Mansfield, Connecticut; Mr. Dane Linn, Director, Education Division, Center for Best Practices, National Governors Association, Washington, D.C.; Dr. Martha Cantu, Director, GEAR UP Program, University of Texas, Pan American, Edinburg, Texas; Mr. J.B. Schramm, Founder and CEO, College Summit, Washington, D.C.

On Wednesday, April 25, 2007, the Committee on Education and Labor held a hearing in Washington, D.C., on "Examining Unethical Practices in the Student Loan Industry. The purpose of the hearing was to hear testimony from New York Attorney General Andrew M. Cuomo regarding his investigation into the relationships between schools and student loan lenders in light of allegations of unethical practices and conflicts of interests in the student loan industry. Testifying before the Committee was the Honorable Andrew M. Cuomo, New York State Attorney General.

On Tuesday, May 1, 2007, the Committee on Education and Labor, Subcommittee on Higher Education, Lifelong Learning and Competitiveness, held a hearing in Washington, D.C., on "Paying for a College Education: Barriers and Solutions for Students and

Their Families". The purpose of the hearing was to hear testimony on the financial and programmatic factors students and their families need to consider as they develop plans for enrolling and persevering towards degree completion. Testifying before the Subcommittee were Dr. Dallas Martin, President of the National Association of Student Financial Aid Administrators, Washington, D.C.; Dr. Claude Pressnell, Member of the Federal Advisory Committee on Student Financial Assistance, Washington, D.C.; Mr. Luke Swarthout, U.S. Public Interest Research Group, Washington, D.C.; Mr. James A. Boyle, President, College Parents of America, Arlington, Virginia.

On Thursday, May 10, 2007, the Committee on Education and Labor held a hearing in Washington, D.C., on "Accountability for the Department of Education's Oversight of Student Loans and the Reading First Program". The purpose of the hearing was to hear testimony on the oversight and management by the Department of Education of the federal student loan and Reading First programs and any regulatory or legislative actions that may be necessary to address issues of concern. Testifying before the Committee was the Honorable Margaret Spellings, Secretary of the United States Department of Education.

On Tuesday, May 15, 2007, the Committee on Education and Labor held a hearing in Washington, D.C., on "Best Practices for Making College Campuses Safe". The purpose of the hearing was to hear testimony on campus safety, including current provisions of the Higher Education Act, emerging technologies, and preventative measures that may ensure student and staff safety on campus. Testifying before the Committee were Steven Healy, Director, Department of Public Safety, Princeton University, Princeton, New Jersey; Dr. Louanne Kennedy, former Provost, California State University of Northridge, Northridge, California; Dr. Dewey Cornell, Director of the Virginia Youth Violence Project, University of Virginia, Charlottesville, Virginia; Dr. Jan Walbert, Vice President for Student Affairs, Arcadia University, Glenside, Pennsylvania.

On Thursday, May 17, 2007, the Committee on Education and Labor, Subcommittee on Higher Education, Lifelong Learning and Competitiveness, held a hearing in Washington, D.C., on "Preparing Teachers for the Classroom: The Role of the Higher Education Act and No Child Left Behind". The purpose of the hearing was to hear testimony on how title II of the Higher Education Act and title II of the No Child Left Behind Act interact to provide high quality teachers for our national public school system. Testifying before the Subcommittee were Mr. George Scott, Director, Education, Workforce and Income Security Issues, General Accountability Office, Washington, D.C.; Dr. Sharon Robinson, President, American Association of Colleges for Teacher Education, Washington, D.C.; Dr. Janice Wiley, Deputy Director for Instruction, Region I Education Service Center, Edinburg, Texas; Dr. Daniel Fallon, Project Director, Carnegie Corporation, New York City; Dr. Emily Feistritzer, President, National Center for Alternative Certification, Washington, D.C.

On Monday, June 4, 2007, the Committee on Education and Labor, Subcommittee on Higher Education, Lifelong Learning and Competitiveness held a field hearing in Austin, Texas on "Higher Education Act: Institutional Support for Colleges and Universities

under Title III and Title IV". The purpose of the hearing was to hear testimony on how the federal programs support Historically Black Colleges and Universities and other Minority-Serving Institutions under both titles. Testifying before the Subcommittee were Dr. Stephen B. Kinslow, President, Austin Community College District, Austin, Texas; Mr. George Scott, Director, Education, Workforce and Income Security, Washington, D.C.; Dr. Larry L. Earvin, President, Huston-Tillotson University, Austin, Texas; Ms. Olivia Vanegas-Funcheon, President, Tohono O'odham Community College, Sells, Arizona.

On Tuesday, June 19, 2007, the Committee on Education and Labor, Subcommittee on Higher Education, Lifelong Learning and Competitiveness, held a hearing in Washington, D.C., on "Building on the Success of 35 Years of Title IX". The purpose of the hearing was to hear testimony on how title IX of the Educational Amendments of 1972 has helped girls and women attain success and freedom from discrimination in academic, athletic and workforce opportunities. Testifying before the Subcommittee were Ms. Marcia D. Greenberger, Co-President of the National Women's Law Center, Washington, D.C.; Lisa M. Maatz, Director of Public Policy and Government Relations, American Association of University Women, Washington, D.C.; Mr. Jack Mowatt, Commissioner of Maryland-DC Amateur Softball Association, Gambrills, Maryland; Ms. Margaret Edith Layne, Program Director, AdvanceVT, Virginia Tech University, Blacksburg, Virginia; Mr. Eric Pearson, President, College Sports Council, Washington, D.C.; and Dr. Rita Simon, Professor, American University, Washington, D.C.

On Friday, June 29, 2007, the Committee on Education and Labor, Subcommittee on Higher Education, Lifelong Learning and Competitiveness held a joint hearing with the Foreign Affairs, Subcommittee on International Organizations, Human Rights and Oversight in Washington D.C. on "International Students and Visiting Scholars: Trends, Barriers, and Implications for American Universities and U.S. Foreign Policy". The purpose of the hearing was to hear testimony on how government officials, colleges and universities and other entities can encourage greater numbers of scholars from abroad to participate in programs in the United States. Testifying before the Subcommittees were The Honorable Thomas A. Farrell, Deputy Assistant Secretary for Academic Programs, Bureau of Educational and Cultural Affairs, United States Department of State; The Honorable James Manning, Acting Assistant Secretary for Postsecondary Education, Department of Education; Mr. George Scott, Director, Education, Workforce, and Income Security Team, Government Accountability Office; Ms. Adina Fisher, Founding Director, African New Era Organization, American University, Washington, D.C.; Ms. Katherine S. Bellows, Executive Director, Office of International Programs, George Washington University, Washington, D.C.; Dr. Phillip O. Grier, Executive Director, Davis United World College Program, Middlebury College, Middlebury, Vermont; Ms. Marlene Johnson, Executive Director and CEO, NAFSA: Association of International Educators, Washington, D.C.; Dr. Jerry M. Melillo, Director, The Ecosystems Center, Marine Biology Laboratory, Providence, Rhode Island; and Ms. Jessica Vaughan, Senior Policy Analyst, Center for Immigration Studies, Washington, D.C.

On Friday, September 21, 2007, the Committee on Education and Labor, Subcommittee on Higher Education, Lifelong Learning and Competitiveness, held a field hearing on the campus of California State Polytechnic University in Pomona, California. The hearing was on "Examining Competitiveness Through Science, Technology, Engineering and Math". The purpose of the hearing was to hear testimony on important federal, state and local efforts to maintain and improve economic competitiveness by supporting a capable and scientific workforce and education system. Testifying before the Subcommittee were Dr. Charles Reed, Chancellor of the California State University System, Long Beach, California; Dr. Warren Baker, President, California Polytechnic State University, San Luis Obispo, California; Dr. Frederick Tarantino, Executive Director, Universities Space Research Association, Columbia, Maryland; Dr. Marshall Drummond, Chancellor, Los Angeles Community College District, Los Angeles, California; Dr. Todd Ullah, Director of Secondary Science Programs, Los Angeles Unified School District, Los Angeles, California; and Dr. Susan Hackwood, Executive Director, California Council on Science and Technology, Riverside, California.

On Thursday, November 1, 2007, the Committee on Education and Labor held a hearing in Washington, D.C., on "Barriers to Equal Educational Opportunities: Addressing the Rising Costs of a College Education". The purpose of the hearing was to hear testimony on the causes and potential remedies of rising college costs. Testifying before the full Committee were Dr. John E. Bassett, President, Clark University, Worcester, Massachusetts; Jane V. Wellman, Executive Director, Delta Project on Postsecondary Costs, Productivity, and Accountability, Washington, D.C.; Dr. F. King Alexander, President, California State University Long Beach, Long Beach, California.

Legislative action

The Committee on Education and Labor considered H.R. 4137 in legislative session on Wednesday, November 14 and Thursday, November 15, 2007 and reported it favorably, as amended, to the House of Representatives, by a vote of 45–0. The Committee considered and adopted the following amendments to H.R. 4137:

• Representative Miller (D–CA) offered an amendment to make changes to the legislation. Specifically, the amendment allows international nursing schools to be eligible for participation in title IV programs if they have a clinical program in the United States, only certify Unsubsidized and Graduate PLUS loans, and refund the government for defaults over 5 percent. Also, within the National Advisory Committee on Institutional Quality and Integrity, the amendment restores provision under current law for accreditation of distance education programs, eliminates the provisions on the Secretary's designee to the committee and allows, in order to account for transition time, the revised advisory board to start on January 1, 2009. With regard to overall college costs, the amendment amends the state maintenance of effort to be benchmarked on either the average appropriations over the last five years or the last year's appropriation. The amendment adjusts textbook provisions by making the provisions effective on July 1, 2008. In the Sunshine section of the bill, the amendment further clarifies that

college and university presidents are not prohibited from serving on the board of trustees for banks and other relevant institutions. The amendment eliminates the provision of loan information requiring private loan lenders to ensure that the institution has notified students of their remaining options under the Federal Family Education Loan Program (FFELP) because it is duplicative with the provisions included in title X of the bill. The amendment allows lenders to provide institutions with staffing and other assistance during times of national emergency, such as during and in the aftermath of Hurricane Katrina. Concerning teacher education, the amendment clarifies that programs focused on alternative routes to state certification are eligible partners; ensures that partnership grantees identify how they will prepare teachers to teach students with Limited English Proficiency; ensures that participants in the teacher residency program consider individuals from underrepresented populations in the teaching profession in admissions; creates a new partnership authority to attract minority candidates to seek careers in teaching; and adds a rule of construction to ensure that this does not hinder collective bargaining. The amendment increases the authorization for Historically Black Colleges and Universities Capital Financing Program to accommodate new applicants. The amendment directs the Gaining Early Awareness and Readiness for Undergraduate Program (GEAR UP) grantees to give priority to foster and homeless youth, in addition to the current law priority categories. The amendment clarifies that third-party servicers may only receive student loan information about students attending or who have attended institutions by which they are or were employed, and ensures that the servicers may not share or transfer the information to other parties. The amendment incorporates S. 1167, to provide loan repayment for civil legal assistance attorneys. The amendment directs guaranty agencies to develop and make available education programs and materials for students and families regarding financial management, including debt management and other aspects of financial literacy. The amendment adds campus safety provisions to ensure that campuses have policies regarding immediate responses to emergency situations. The amendment requires institutions to have a protocol for notifying an individual identified by the student as an emergency contact if the student is reported missing for more than 24 hours. The amendment requires institutions to have a protocol for safely disposing of computers in a manner that protects the privacy of the data. The amendment clarifies that the 90/10 provisions in the program participation agreement only apply to for-profit institutions and allows revenue from additional sources of funds from accredited, but not title-IV eligible, programs to count as part of the 10 percent of non-title IV revenue. The amendment removes the provision that accreditors need to certify that institutions of higher education comply with all reporting and notification requirements. The amendment increases the number of consumer representatives on the Advisory Commission on Accessible Instructional Materials and clarifies responsibilities of the Commission. The amendment authorizes a study on the effect of postsecondary education on offenders. The amendment authorizes a National Undergraduate Fellows Program to provide fellowships to undergraduate students to im-

prove the degree completion rates of students currently underrepresented in those rates. The amendment was adopted by voice vote.

- Representative Walberg (R–MI) offered an amendment to ensure that accrediting bodies respect the mission of the institution during institutional reviews. The amendment was adopted by voice vote.
- Representative Petri (R–WI) offered an amendment to require the Secretary of Education to consult the U.S. Attorney General before entering into a settlement agreement. The amendment was adopted by unanimous consent.
- Representatives Altmire (D–PA) and Woolsey (D–CA) offered an amendment to provide grants to colleges to create business workforce partnerships. The amendment was adopted by a vote of 24–16.
- Representatives Timothy Bishop (D–NY), McCarthy (D–NY), and Clarke (D–NY) offered an amendment to expand the exemption for the higher education watch list to schools whose full price increase is an average of the higher education price index plus $500 per year. The amendment was adopted by unanimous consent.
- Representative Keller (R–FL) offered an amendment to prohibit individuals who are subject to an involuntary civil commitment upon completion of a period of incarceration for a sexual offense from being eligible for a Pell Grant. The amendment was adopted by voice vote.
- Representatives Hare (D–IL) and Loebsack (D–IA) offered an amendment to create partnerships grants for the development of leadership programs under title II. The amendment was adopted by voice vote.
- Representatives Grijalva (D–AZ) and Bishop (D–NY) offered an en bloc amendment to modify the way the cohort default rate is calculated. An amendment was also included to require student loan counseling. The amendment was adopted by voice vote.
- Representative Foxx (D–NC) offered an amendment to prohibit the Department of Education from developing or maintaining a federal database of student information. The amendment was adopted by voice vote.
- Representatives Danny Davis (D–IL), Souder (R–IN), Scott (D–VA), Clarke (D–NY) and Payne (D–NJ) offered an amendment to create a discretionary grant program to assist and encourage incarcerated individuals in state and federal prisons to acquire educational and job skills. The amendment was adopted by voice vote.
- Representative Holt (D–NJ) offered an amendment to create, within the Department of Education, an Assistant Secretary of International and Foreign Language Education and an Office of International and Foreign Language Education. The amendment was adopted by voice vote.
- Representatives Price (R–GA) and Boustany (R–LA) offered an amendment to commission a Government Accountability Office (GAO) study of education related indebtedness of medical school graduates. The amendment was adopted by unanimous consent.
- Representative Andrews (D–NJ) offered an amendment to revise the reporting requirements for institutions of higher education that are also title VI grantees, with respect to the donations the institutions receive. The amendment was adopted by voice vote.

• Representative Andrews (D–NJ) offered an amendment to strike language in section 496 with respect to setting standards for institutions of higher education. The amendment was adopted by unanimous consent.

• Representative Price (R–GA) offered an amendment to direct the Secretary of Education to contract with an independent organization to conduct a financial and compliance audit of Direct Loan portfolio and Direct Loan servicing contracts. The amendment was adopted by unanimous consent.

• Representative Andrews (D–NJ) offered an amendment to require institutions of higher education that require veterans to apply for readmission to submit to the Secretary a statement justifying such requirement. The amendment was adopted by unanimous consent.

• Representative David Davis (R–TN) offered an amendment to limit a student's Pell Grant eligibility to the equivalent of eighteen semesters or twenty-seven quarters, as determined by the Secretary. The amendment was adopted by unanimous consent.

• Representative Kuhl (R–NY) offered an amendment to recognize the Rochester Institute of Technology as the institution responsible for operating the National Technical Institute for the Deaf under the Education of the Deaf Act. The amendment was adopted by unanimous consent.

• Representative Walberg (R–MI) offered two amendments en bloc to provide for additional transparency between accrediting agencies and institutions during the accreditation review process and ensure that accrediting agencies are using clear, consistent and known standards in reviewing institutions. The en bloc amendment was adopted by unanimous consent.

• Representative Souder (R–IN) offered two amendments en bloc to ensure that students are informed about the penalties associated with a drug conviction while the student is receiving federal aid and to permit students to regain their eligibility by passing two random drug tests. The en bloc amendment was adopted by unanimous consent.

• Representative Scott (D–VA) offered an amendment to create an appeal process for TRIO programs. The amendment was adopted by a vote of 29–15.

• Representative Rob Bishop (R–UT) offered an amendment to prohibit a federal government entity or contractor from mandating, directing, controlling, or suggesting a specific curriculum for teacher education programs. The amendment was adopted by unanimous consent.

• Representative Scott (D–VA) offered an amendment to rename Centers of Excellence as the Honorable Augustus F. Hawkins Centers of Educational Excellence. The amendment was adopted by unanimous consent.

• Representative Hoekstra (R–MI) offered an amendment to make adjustments to the membership of the National Advisory Committee on Institutional Quality and Integrity and ensure that NACIQI will not deny recognition based on standards that are not outlined in section 496. The amendment was adopted by unanimous consent.

• Representative Wu (D–OR) offered an amendment to require the Department of Education to ensure that all Department publi-

cations contain no more than four digits of an individual's Social Security Number. The amendment was adopted by unanimous consent.

• Representative Yarmuth (D–KY) offered an amendment to establish a non-profit National Center for Learning and Science and Technology to focus on research and development in education. The amendment was adopted by voice vote.

III. Summary of the Bill

TITLE I: GENERAL PROVISIONS

Dually enrolled students

H.R. 4137 amends the definition of an institution of higher education to permit institutions to admit students who are dually or concurrently enrolled in the institution and a secondary school.

Foreign medical schools

The bill allows foreign medical schools to be eligible for federal aid if they have a clinical training program approved prior to January 1, 2008, certify only unsubsidized Stafford or PLUS loans, and agree to reimburse the Secretary for the cost of any defaulted loan in the institution's cohort default rate during the previous fiscal year. It also allows foreign nursing schools to be eligible for federal aid if they have agreements with hospitals and nursing programs located within the United States, have students complete their training in the United States, certify only unsubsidized Stafford and PLUS loans, and agree to reimburse the Secretary for the cost of any student loan defaults if the institution's cohort default rate exceeds 5 percent.

National Advisory Committee on Institutional Quality and Integrity (NACIQI)

The NACIQI advises the Secretary of Education on matters related to accreditation and the eligibility and certification process for institutions of higher education. Under current law, the Secretary appoints members of NACIQI for three-year terms of office. H.R. 4137 increases the committee membership to eighteen members, with six members appointed by the Secretary, six members appointed by the House of Representatives (three appointed by the majority leader and three by the minority leader), and six members appointed by the Senate (three appointed by the majority leader and three by the minority leader).

College costs

H.R. 4137 includes:

A state maintenance of effort to make college more affordable: The bill ensures that states maintain their own level of college financing—to ensure that they fulfill their end of the bargain to make a quality college education affordable to all students. Under this section, states risk losing funds under the newly created "Grants for Access and Persistence" (GAP grants) if they fail to meet the state maintenance of effort. For those states that have specific fiscal challenges, the bill includes a waiver that may be awarded at the discretion of the Secretary.

Also included in the bill is a requirement for a report on the state appropriations, including a comparison of the percentage change in state appropriations per enrolled student in public institutions of higher education to the percentage change in tuition and fees for each public institutions of higher education for each of the five previous years.

Consumer Friendly Information and Transparency: The bill includes a provision for the creation of a national list and reporting system by institutions of higher education. Specifically, the bill requires the Secretary to publish annually a list that allows individuals to sort information by state or type of institution. The list will also include rankings for institutions based on their changes in tuition and fees over the preceding three years. Institutions whose increase in tuition and fees exceeds that of its applicable higher education price index will be placed on the "Higher Education Price Increase Watch List." For institutions placed on the Watch List, the bill requires schools to create a Quality Efficiency Task Force which will examine the institution's operating costs as compared to other similarly situated institutions and make recommendations on how the institution can create more efficiencies to help hold down costs.

University and College Accountability Network (U–CAN): H.R. 4137 includes a provision for the creation of a model document, the University and College Accountability Network (U–CAN). This model document may be used by institutions to annually report basic institutional information.

Higher Education Price Index: The bill requires the Bureau of Labor Statistics (BLS) to develop higher education price indices (HEPI) that accurately reflect the annual change in tuition and fees for undergraduate students enrolled in specific types of institutions (e.g., four-year public degree-granting).

Textbook costs

The bill directs college textbook publishers to provide pricing information to faculty and other personnel when they are making purchasing decisions and to provide combined or "bundled" materials separately. H.R. 4137 also directs institutions and college bookstores to provide textbook information to students early (in course catalogs and online) so that they are aware of the textbook costs associated with each course when they are making course selections each semester.

Student loan Sunshine—Private student loans

H.R. 4137 incorporates the bi-partisan Sunshine Act (H.R. 890) into the bill. It incorporates changes to address concerns that the original bill may have unintentionally prohibited College Presidents from serving on a Bank's board of directors (and vice-versa), despite the absence of a conflict of interest. Further, rather than imposing an out-right ban on all opportunity pools, the bill retains the ban on lenders offering opportunity pools as a quid pro quo for placement on a preferred lender list or for a specified loan volume. The bill subjects any other opportunity pool arrangements to enhanced reporting and disclosure requirements and requires that schools provide students with the choice of multiple lenders, ending

past practices that resulted in students being directed to a single lender.

Feasibility study on a national electronic student loan marketplace

H.R. 4137 includes a requirement for a study on the feasibility of developing a marketplace for students and families to explore the best options with respect to federal and private student loans.

TITLE II: TEACHER QUALITY ENHANCEMENT

Partnership grants

The bill revises the current structure of the teacher education provisions by consolidating the three main programs (state, recruitment, and partnership grants) into one partnership program. The partnership grants permit funds for new initiatives including the establishment of induction programs, a residency model, and mentoring for new teachers. The partnership grants also include greater accountability to ensure both that states develop standards for their teacher education programs, and that these standards and information on the particular programs are reported to the Department of Education.

Preparing teachers for digital age learners

H.R. 4137 retains the goal of PT3 but revises the section to focus not only on ensuring that teacher candidates can integrate technology in the classroom, but also may assess the use of this technology.

Recruitment

The bill creates a new initiative aimed at recruiting and retaining individuals to enter and remain in teaching, particularly in the high demand fields such as science, technology, math, foreign languages, and special education.

Community colleges and teacher education

Because community colleges frequently serve as a pipeline to higher education for underrepresented populations, a new initiative in H.R. 4137 encourages partnerships between two-year and four-year teacher preparation programs. The focus is on ensuring transition is from the two-year to the four-year teacher education program and on exposing teacher education students to the classroom environment early on.

Teach For America

H.R. 4137 includes the authorization of Teach For America to encourage the recruitment and training of talented undergraduate students to enter into the teaching profession.

Honorable Augustus F. Hawkins Centers of Excellence

H.R. 4137 establishes new Centers of Excellence to provide grants to HBCUs and other Minority Serving Institutions (MBIs) to improve teacher quality and preparation.

Early childhood education task force and career ladder

The bill includes newly created state-based task forces on early childhood education with the goal of creating comprehensive state systems. In addition to creating statewide systems, the program encourages a focus on ensuring a well educated and compensated workforce.

National Academy of Science—Study on best practices in teacher education

H.R. 4137 calls for a study by the National Academy of Sciences to develop best practices in teacher education.

TITLE III: INSTITUTIONAL AID

Predominantly Black Institutions, Asian-Pacific Islander Serving Institutions

The bill establishes new designations within title III:

• Predominantly Black Institutions (PBIs) as institutions that have an enrollment of financially needy undergraduate students; an enrollment of undergraduate students at least 40 percent of whom are African American; and, that has at least 1,000 undergraduate students of whom not less than 50 percent enrolled at the institution are low-income or first generation and registered in a BA or AA program leading to a degree.

• Asian and Pacific Islander Serving Institutions as institutions that have an enrollment of undergraduate students that is at least 10 percent Asian American and Pacific Islander and that have a significant enrollment of financially needy students.

Native Americans

The bill makes modest changes to current law with respect to Tribally Controlled Colleges. Additionally, it creates a designation for Native American Non-Tribal institutions which are institutions that (1) have an enrollment of undergraduate students that is not less than 10 percent Native American students and (2) are not already designated as a Tribal College or University under section 316 of the Higher Education Act.

Historically Black Colleges and Universities (HBCUs)

In addition to several technical changes, H.R. 4137 amends Part B to allow HBCUs to acquire property, provide financial literacy, and seek technical assistance. Additionally, the bill adds six graduate programs, namely Alabama State, Bowie State, Delaware State, Langston University, Prairie View A&M, and the University of the District of Columbia School of Law. Finally, this section provides waiver to allow schools affected by the Gulf Coast hurricanes to be held harmless at the enrollment levels prior to the hurricanes.

Minority Science and Engineering Improvement (MSEI) Program

H.R. 4137 adds a new initiative to the current MSEI program to support the participation of underrepresented minority youth in science, technology, engineering, and mathematics through outreach and hands-on experiential-based learning projects. The bill also includes a marketing campaign aimed at encouraging minori-

ties to enter the fields of science, technology, engineering, and mathematics.

TITLE IV: STUDENT ASSISTANCE

Pell grants

The bill increases the authorized maximum Pell grant award from $5,800 under current law to $9,000. The bill also allows the Pell grant to be used year round, for certificate programs, and by part-time students. The bill limits student eligibility for the Pell grant to eighteen semesters or twenty-seven quarters (or its equivalent if the student attends part time).

AC/SMART grants

The bill includes changes to allow legal permanent residents in certificate programs and those attending part-time to receive AC/SMART grants. The bill also amends the definition of the academic year. The bill amends the SMART Grant program to clarify that a student pursuing eligible courses of study at an institution where students do not declare majors is eligible for the program.

TRIO

The bill includes outcome measures and evaluation criteria for the TRIO programs. It also retains a provision to prohibit the Department of Education from implementing the absolute priority and evaluation in the Upward Bound program that was adopted in the Committee on Education and Labor during the budget reconciliation 19 process (H.Rpt. 110–210). H.R. 4137 allows non-funded applicants to appeal funding decisions to an administrative law judge.

Campus based aid

The bill provides for cancellation of Perkins loans for firefighters and librarians. H.R. 4137 also clarifies the definition of an early childhood educator. Additionally, the bill includes provisions to help sustain the Perkins loan program. It also reauthorizes the Supplemental Education Opportunity Grants (SEOG) and the Work Study program.

Byrd Scholarship Program

The bill reconstructs the Byrd Scholarship Program to focus on persuading students to earn degrees in the fields of math and science. The program is authorized to develop a Math & Science Honors Scholarship Fund and a Math and Science Incentive Program. The Math and Science Honors Scholarship Fund provides funds to a nonprofit entity to develop the Fund, which may provide scholarships to students who commit to complete five consecutive years of service in a math or science field after graduation. The Math and Science Incentive Program provides for the forgiveness of up to $5,000 of the interest that accumulates on a student's loan if the student agrees to work for five consecutive years in a math or science field.

Loan forgiveness

The bill includes a new $10,000 loan forgiveness program for individuals serving in high-needs areas. These qualified individuals are eligible for up to $2,000 in loan forgiveness each year for five years. Eligible professions are: early childhood educators, nurses, foreign language specialists, librarians, teachers, speech-language pathologists, national service participants, school counselors, public sector employees, nutrition professionals, medical specialists, and mental health professionals.

Additionally, the bill includes further clarification of the public service definition in the ten year loan forgiveness program established by the College Cost Reduction and Access Act (P.L. 110–84) to specifically add nurses, allied health professionals, and early childhood educators.

EZ–FAFSA

The bill simplifies the Free Application for Federal Student Aid (FAFSA) and ensures that students and families begin to receive aid information earlier in the college application process. Specifically, the bill:

- Encourages the Secretary to reduce the number of questions required to be answered by the applicant by 50 percent in the next five years.
- Creates a two-page FAFSA–EZ form for students and families who qualify for the "auto-zero" family contribution.
- Streamlines the reapplication process so that applicants must only provide updated data in subsequent years, rather than re-filing a new FAFSA.
- Directs the Secretary to implement a system that allows students and families, in the years before they apply for aid, to enter and update information and receive estimates of their Expected Family Contribution (EFC), as well as an estimated amount of aid.
- Includes a Sense of the Congress that the Department of Education and the Internal Revenue Service work together to use information the government already has with respect to students and families.

Students with intellectual disabilities

The reauthorization includes eligibility for Pell grants, work-study programs, and SEOG for students with intellectual disabilities who demonstrate financial need, even if they are enrolled in non-degree higher education programs.

Peer-to-Peer file sharing on campus

The bill requires institutions to report their policies with respect to copyright infringement and illegal peer-to-peer file sharing/downloading and any procedures to address the infractions. Additionally the bill includes a grant program for consortia of institutions to explore innovative ways to curtail and prevent illegal downloading.

Articulation agreements and transfer of credit

The bill encourages states to develop and implement comprehensive articulation agreements among institutions of higher education

over the next two years, and directs the Secretary to provide technical assistance.

The bill also requires institutions to fully disclose the transfer of credit policies for current and prospective students.

The "90/10 Rule"

The bill strikes from the statutory definition of an institution of higher education the provision that a for-profit school must derive no more than 90 percent of its revenue from federal title IV student aid programs. Instead, the bill makes this provision a requirement of a school's title IV program participation agreement with the Secretary. In addition, the bill clarifies and provides additional flexibility with respect to the types of revenue that count toward the 10 percent of revenues that must come from non-title IV sources. In particular, the bill provides that schools may count funds from 529 college savings plans, and activities conducted by the school (to the extent they are not included in schools' tuition, fees, and charges) that are necessary for the education or training of students enrolled in educational programs, as well as institutional aid and scholarships (to the extent such aid comes from established restricted accounts and the funds in such accounts represent designated funds from an outside source or from income earned on 21 those funds). In addition, the bill removes the automatic termination of a school's title IV program eligibility after a single violation of the 90/10 rule.

The bill also includes additional safeguards, transparency, reporting and increased sanctions for violating the rule. The Secretary will have the authority to require increased monitoring and reporting requirements. Further, if a school violates the rule two consecutive years, the school will lose eligibility to participate in federal student aid programs for a minimum of three years. H.R. 4137 also provides for public disclosure of schools that violate the rule in any given year. Moreover, the bill requires that the Secretary annually report to the appropriate Congressional committees for each school the calculation of the school's revenue from federal student aid programs.

Accreditation

H.R. 4137 requires an accrediting agency that already has or seeks to include the evaluation of distance education programs within its scope of recognition to demonstrate to the Secretary that its standards effectively address the quality of distance education programs in the same areas in which it evaluates classroom-based programs.

To ensure that accreditors, institutions of higher education and other organizations have a means to express their concerns about accreditation issues, the bill includes the creation of an ombudsman.

The bill also provides that information about investigations of institutions of higher education will not be made public until the final ruling. This process is consistent with the process followed by the Securities and Exchange Commission in its investigations.

Auction

The bill includes a study of the loan auction included as part of the College Cost Reduction and Access Act (P.L. 110–84). The bill requires the to assess other types of potential auction mechanisms for other federal student loans in addition to Parent Plus loans.

TITLE V: DEVELOPING INSTITUTIONS

Hispanic Serving Institutions (HSI)

The bill includes a new program to boost graduate opportunities for Hispanics. Under the new graduate HSI program, the Secretary is authorized to award grants to institutions that offer graduate degrees to enable the institutions to purchase, rent or lease equipment; construct, maintain or renovate classrooms, labs and libraries; purchase books, journals, etc; provide graduate students with fellowships, scholarships and academic support; or support faculty exchanges, etc.

TITLE VI: INTERNATIONAL EDUCATION PROGRAMS

Graduate and undergraduate language and area centers and programs

The bill promotes linkages between two and four year colleges as well as partnerships between local education agencies and individual schools.

Promoting foreign service

H.R. 4137 aims to increase the participation of underrepresented populations in the international service arena by encouraging collaboration with HBCUs and other MBIs.

Early foreign language instruction

The bill establishes grants for foreign language partnerships between local school districts and foreign language departments at institutions of higher education.

Foreign languages and technology

H.R. 4137 includes grants to institutions of higher education to develop programs for the teaching of foreign languages.

Federal marketing campaign

The bill includes a marketing campaign to encourage high school students to study foreign languages.

Reporting

The bill includes a reporting requirement by title VI recipients of any funds provided by foreign governments or entities, in excess of $1 million, intended for indirect or direct use by a title VI center or program.

TITLE VII: GRADUATE AND POSTSECONDARY IMPROVEMENT PROGRAMS

Jacob K. Javits fellowships

These fellowships are awarded to students of superior ability selected on the basis of demonstrated achievement, financial need, and exceptional promise for graduate study in the arts, humanities,

and social sciences. The fellowships are awarded to students who are eligible to receive any grant, loan, or work assistance, and who intend to pursue a doctoral degree. H.R. 4137 includes clarifications with respect to stipends and allowances.

Graduate assistance in areas of national need

Currently, these fellowships are awarded to academic departments and programs at institutions of higher education that provide courses of study leading to a graduate 23 degree in order to enable such institutions to provide assistance to graduate students who are studying in areas of national need. H.R. 4137 includes a priority for grants aimed at preparing professors to train teachers in the fields of science, technology, math, special education, and to train teachers with limited English proficiency.

Thurgood Marshall Legal Education Opportunity Program

This program provides stipends, preparation, and information to low-income, minority, or disadvantaged college students to gain access to and complete law school study.

Patsy Mink Fellowship

The newly established Patsy Mink Fellowship program provides awards to assist highly qualified minorities to acquire terminal masters degrees or doctorate degrees in academic areas where minorities are underrepresented.

Fund for the Improvement of Postsecondary Education (FIPSE)

The Secretary is authorized to make grants to, or enter into contracts with, institutions of higher education, combinations of such institutions, and other public and private nonprofit institutions and agencies, to enable grantees to improve postsecondary education opportunities. The bill includes several new initiatives in FIPSE, as follows:

- a scholarship program for family members of veterans or members of the military;
- a demonstration program for homeless youth and those in foster care;
- programs aimed at ensuring the success of non-traditional students in postsecondary education;
- support for increased fire safety on campuses;
- the establishment of a center for best practices to support single parent students; and,
- support for faculty and academic programs associated with American History.

Urban Serving Institutions

H.R. 4137 replaces the Urban Community Service program with the Urban Serving Institutions program. The program will provide incentives to urban-serving institutions to expand research, and develop and implement initiatives in partnership with community-based organizations. The collaboration will work to solve urban challenges while strengthening city economies.

Students with disabilities

The bill includes several initiatives aimed at assisting students with disabilities to succeed in postsecondary education, including:

- Additional activities authorized under the Programs to Ensure Students with Disabilities Receive a Quality Higher Education, including the development of effective transition practices, improved distance learning strategies, and improvements in the overall accessibility of higher education;
- Establishment of a National Center for Information and Technical Support which will improve the dissemination of best practices related to working with postsecondary students with disabilities, provide information to assist students and their families, and improve the recruitment, retention and completion rates for students with disabilities;
- Support for model demonstration programs to help students with intellectual disabilities to succeed in postsecondary education, and a coordinating center to assist these programs.
- Model demonstration programs to improve timely access and quality of instructional materials in specialized formats for students with print disabilities, and a commission to study the feasibility of national technical standards and methods to improve the efficient distribution of these materials;
- A GAO study of the barriers and opportunities for the full participation of students with disabilities in higher education, including an examination of disability support services offices and the success rates of colleges and universities to recruit, retain, and graduate students with disabilities.

Nursing education

H.R. 4137 includes two initiatives aimed at addressing the growing nursing shortage through programs to:

- expand the capacity of current programs to ensure a growing number of individuals are able to enter programs and become nurses; and
- increase the number of qualified nurse faculty.

TITLE VIII: ADDITIONAL PROGRAMS

The bill creates a new title VIII that consists of new programs that recognize the growing challenges that institutions, students and families face in higher education.

Encouraging colleges to keep costs down through innovative methods

The bill authorizes programs to encourage institutions of higher education to keep tuition costs down and use innovative approaches to do so. These programs include: rewarding institutions for low tuition, cooperative education grants, articulation agreement programs, and encouraging institutions to use environmentally-friendly sustainability approaches.

Ensuring that students enter, remain, and graduate from college

The bill authorizes programs that encourage students, particularly those from traditionally underrepresented groups at institutions in higher education, not only to enter into, but to graduate

from college. These programs include: grants at community colleges to ensure that students needing remedial coursework continue through college; programs that align non-traditional students' academic and career goals; programs for high-need students to make the transition into college; programs to partner institutions and businesses in order to prepare students for employment and career ladders; and programs to support students and institutions of higher education in rural areas.

Addressing high need areas

The bill authorizes programs to address the unique needs in critical areas. These programs include: the development of programs in science, technology, mathematics and science for Alaska Natives and Native Hawaiians; the creation of a national database of scholarships for STEM fields; support programs for realtime writers and modeling and simulation; and a program to ease the transition of veterans returning from combat zones into higher education.

Combating "Diploma Mills"

The bill includes requirements and increased information to ensure the legitimacy of institutions of higher education. This bill defines what constitutes a degree-granting institution; requires the Department of Education to maintain a list of degree-granting institutions for federal employment and student visa purposes; and establishes a task force to review issues and possible solutions associated with diploma mills.

Campus safety

- Grants to Institutions: The bill creates a grant program to assist institutions of higher education develop and implement state-of-the-art emergency systems and procedures to ensure the safety of all students, faculty and employees, and to improve safety overall on campus.
- Model Policies and Procedures and Future Disasters: The bill also ensures assistance to institutions of higher education in the development of policies, procedures, and practices to be used in the case of an emergency. The bill requires the Secretary to develop and maintain a disaster plan in preparation for emergencies.
- Disaster Relief Loan Program: To ensure that institutions have a steady flow of cash to re-open as soon as possible, the bill establishes a loan program to be made available to institutions of higher education in the event of a disaster.

TITLE IX: AMENDMENTS TO OTHER LAWS

The bill makes changes to the Education for the Deaf Act, the Tribally Controlled College or University Assistance Act, the higher education amendments of 1998 and 1992, Justice Department programs, and the Stevenson-Wydler Technology Innovation Act of 1980.

Education for the Deaf Act

The bill amends the Education for the Deaf Act to include requirements that the elementary and secondary schools operated by Gallaudet University adopt academic achievement standards, assessments and adequate yearly progress measures consistent with

the No Child Left Behind Act. Tuition surcharges for international students at Gallaudet and National Technical Institute for the Deaf are also adjusted to allow for a sliding scale based upon student need and for reductions in costs for students from developing countries.

Tribally Controlled College or University Assistance Act

The bill adds a new title to the Tribally Controlled Colleges Act to allow for the designation of tribal colleges focused on technical and vocational education. This title replaces a program at the Department of Interior which is eliminated by H.R. 4137.

Higher Education Amendments of 1998 and 1992

The bill modifies the grants to states for workplace and community transition training for incarcerated youth offenders to allow programs to serve all offenders, regardless of age and time in incarceration.

The bill reauthorizes programs including, the Underground Railroad and Olympic scholarships.

Office of International and Foreign Language Education

H.R. 4137 creates an Office of International and Foreign Language Education at the Department of Education to be operated by an Assistant Secretary for International and Foreign Language Education.

Justice Department Programs

The bill includes the Department of Justice public defenders forgiveness program. Additionally, the bill allows individuals who are employed by a government agency to receive loan forgiveness from an institution of higher education for their public service.

The bill also creates a National Center for Campus Safety at the Department of Justice working in collaboration with the COPS program.

Stevenson-Wydler Technology Innovation Act of 1980

The bill includes the establishment of the Minority Serving Institution Digital and Wireless Technology program, within the Department of Commerce, which provides funds to MSIs to integrate technology into campus activities and ensure that students have access to technology.

TITLE X: PRIVATE STUDENT LOAN TRANSPARENCY AND IMPROVEMENT

Title X's private student loan provisions require lenders to follow certain terms and procedures when soliciting or making private loans for postsecondary education expenses. It directs the Board of Governors of the Federal Reserve and other financial regulatory agencies to issue regulations implementing the new standards. It also requires the Department of the Treasury to undertake efforts to enhance financial literacy among students and the GAO to prepare a report on issues related to private educational lending. Title X also increases the disclosure requirements for lenders of private educational loans.

Gift ban

The bill prohibits postsecondary education institutions, their officers, and their employees from receiving any gift from a private lender in exchange for any advantage to the lender in its loan activities.

Ban on revenue sharing

The bill prohibits lenders from sharing the profits from their loan activities with higher education institutions in exchange for some advantage to the lender in its loan activities, including offering or providing gifts to postsecondary educational institutions or their employees.

Bans co-branding

The bill prohibits lenders from co-branding their loans with the institution's name, emblem, mascot, or logo in any way that implies a school's endorsement.

Ban on participation on advisory councils

The bill prohibits school financial aid officials from serving on any advisory council of private educational lenders.

Bans prepayment fees and penalties

The bill prohibits private loan lenders from charging borrowers fees for paying off their loans early.

Provides for effective period of approved interest rate and loan terms

The bill requires lenders to give applicants up to thirty days following the approval of a loan to accept it with no changes in terms except an index to determine the interest rate.

Right to cancel

The bill requires lenders to grant borrowers up to three days to change their minds after entering into a loan agreement with a lender.

Provision of information

The bill requires lenders to notify a borrower's school of a proposed loan of $1,000 or more.

Financial literacy enhancement

The bill requires the Department of the Treasury to identify and evaluate programs at institutions of higher education that enhance the financial literacy of college students, and subsequently to encourage the implementation of such programs that the department finds to be most effective.

GAO study

The bill requires the GAO to prepare a report on the impact of non-individual factors, such as cohort default rate and graduation rates, on the pricing of private education loans among institutions of higher education. The report will also examine the extent to which those factors affect the availability of private loans to certain borrowers or certain schools.

Loan disclosure requirements

The bill requires lenders to make additional disclosures to borrowers at three stages of the loan application process: (1) advertisement or solicitation of loans, (2) approval of loan applications, and (3) consummation of loans.

Written acknowledgment of receipt of disclosure

The bill requires private loan lenders to obtain a written acknowledgment from a borrower that the borrower has read and understood required disclosures.

IV. COMMITTEE VIEWS

At several critical moments in history, the United States Congress has acted to establish and reaffirm access to an affordable college education as a national priority. In 1944, Congress passed the GI Bill (the Servicemen's Readjustment Act) to provide educational benefits for veterans returning from World War II, opening the doors of higher education to an entire generation. Responding to threats to the nation's technological superiority, the Congress passed the National Defense Education Act in 1958, ensuring that highly trained individuals would be available to help America compete with the Soviet Union by providing loans to college students and supporting efforts to improve science, mathematics, and foreign language and area studies instruction.

Several years later, in the belief that no one should be denied an equal opportunity to pursue higher education because of an inability to pay, the Congress passed the Higher Education Act of 1965 (HEA). The HEA established a broad-based federal student aid and loan system and created programs to enhance access for low-income students. Building on these earlier efforts, the Congress later created the Pell Grant program to provide grants for lower-income students to help increase access to higher education. Congress furthered these principles by enacting the College Cost Reduction and Access Act in 2007 (P.L. 110–84), which provided a landmark $20 billion dollar investment in the educational aspirations of the nation's students and their families.

The Committee strongly believes that postsecondary education is a critical component of the formula to ensure a prosperous future for our nation's students. Postsecondary education can help individuals build a better life for themselves and ensure they are prepared to be active participants in the global economy of the 21st century. Research has shown that college graduates will earn an average of $1 million more over their lifetime than those without a college degree.[1] Additionally, higher education attainment levels correspond to lower levels of unemployment, lower levels of poverty, greater levels of openness to the opinions of others, and higher levels of civic engagement—factors that benefit the entire nation.[2] Unfortunately, too many of our nation's students still face barriers when pursuing higher education, including: skyrocketing college costs, a complex federal student aid process, lack of awareness about aid

[1] "The Student Debt Dilemma: Debt Aversion as a Barrier to College Access," The Project on Student Debt, The Institute for College Access and Success, Inc., Sept. 2005, at 3–4.

[2] "Education Pays: The Benefits of Higher Education for Individuals and Society," The College Board, 070342217 (Washington, D.C.: 2007).

options, and an evolving student loan industry that demands increasingly high levels of consumer sophistication.

Despite these barriers, a growing population and increased occupational demands have resulted in record high enrollments in postsecondary institutions around the country. These enrollment increases and fundamental shifts in the demographics of the nation make all the more necessary an increased commitment from the federal government, states, and institutions to provide additional consumer protections for student loan borrowers and enhanced measures of accountability. To address these and other overarching concerns, H.R. 4137 includes provisions on colleges' affordability and consumer protections (including information on financial literacy), and provisions to support students attending MSIs, to increase access to higher education (including for veterans and students with disabilities), to ensure a highly qualified teacher in every classroom, and to ensure safety on campus.

Making college more affordable

In a 1998 survey by the National Association of College and University Business Officers, only 11 percent of respondents agreed with the statement that a four-year college education is affordable for most Americans.[3] Since that survey, college tuition and fees have only increased. Because of these increased costs, as well as an aversion to accumulating debt, 40 percent of today's qualified high school graduates will never enter postsecondary education.[4] The Committee strongly believes that college can and should be more affordable and accessible to all students, and that this goal can be accomplished, in part, by increasing aid, helping to make college expenditures more efficient thereby eliminating the need for high tuition and fee increases, and reining in the cost of textbooks.

Ensuring integrity and accountability to Student Loan Programs

H.R. 4137 creates consumer protections for students to ensure they can make smart and informed choices about borrowing, and to further ensure that borrowing will be beneficial to both themselves and their families. The Committee believes that creating transparency and accountability in college pricing and loans, maintaining low college costs, and increasing financial literacy will help students begin and complete a college education.

Increasing aid to Minority-Serving Institutions

The Committee believes that assistance for Minority Serving Institutions is essential to create a productive and supportive environment for minority students. Nearly one-third of all African American, American Indian, Alaska Native, Native Hawaiian, and Hispanic students enrolled in institutions of higher education in the United States attend Historically Black Colleges and Universities, Hispanic-Serving Institutions, Tribal Colleges and Universities, and Alaska and Hawaiian Native institutions. These programs and institutions provide unique opportunities to students

[3] "Explaining College Costs: NACUBO's Methodology for Identifying the Costs of Delivering Undergraduate Education," National Association of College and University Business Officers (2002) at 12.

[4] Advisory Committee on Student Financial Assistance, "Mortgaging Our Future; How Financial Barriers to College Undercut America's Global Competitiveness," September 2006.

who, in many cases, have been denied equal educational experiences in primary and secondary school.

Helping more students access higher education

The Committee recognizes a longstanding and growing need for increased access to higher education, and believes financial literacy education for college students and their parents can help ensure such access. Financial literacy education and student aid awareness are key components of student and institutional support programs, including TRIO, GEAR UP, and others.

Barriers to entry into higher education, including a lengthy and opaque application process, inadequate academic preparation, and limited information on financing options are often significant, preventing qualified students from pursuing postsecondary studies. To alleviate such barriers, H.R. 4137 greatly simplifies the FAFSA form and strengthens key student support programs.

Supporting veterans and military families

Starting with the enactment of the GI bill in 1944, Congress has a long history of helping those who serve in the armed forces obtain a college or university degree. The Committee strongly believes that the federal government should support those who serve in uniform and defend our country in recognition of their service. This bill includes several provisions that will support veterans and their families make the transition to higher education and continue through graduation.

Helping recruit and train quality teachers

Placing well-trained, qualified, and dedicated teachers in schools is an important part of improving elementary and secondary education and ensuring students are academically prepared for postsecondary education. However, accomplishing this goal would be nearly impossible without institutions of higher education producing a qualified supply of these much-needed teachers. For this reason, the Committee believes that colleges and universities that train teachers should be held to high standards, and that these institutions should continue or expand programs that prepare teachers to better employ new technologies, work with students with disabilities, and mentor students in high-need fields of study.

Ensuring the health and safety of students

Over the last several years, tragedies have struck our nation's campuses, some with grave consequences, compelling Congress to recognize the need and importance of ensuring that students are both safe and secure while pursing their studies. Accordingly, the legislation contains provisions concerning both routine crime reporting and preparedness for disasters and other security threats.

Promoting study in nationally important fields

The Committee recognizes the growing importance of certain fields such as science, technology, education, mathematics, and foreign languages. Not only are these subjects important for the participation of students in a global, technology-based economy, but they are also vital to the defense and success of the nation. Students must be encouraged to undertake study in these fields, and

teachers must be prepared to instruct and mentor students in these fields.

TITLE I—TITLE I AMENDMENTS

Through title I of H.R. 4137, the Committee intends to address the changing needs of higher education since the last reauthorization of the Higher Education Act in 1998. These changes include revisions to various definitions, including the definition of an institution of higher education. Further, the Committee calls for the higher education community to engage in efforts to rein in dramatic tuition increases. Finally, the Committee builds upon the bipartisan effort to enhance consumer protections for students and families started in H.R. 890, the Student Loan Sunshine Act.

Addressing the changing needs in higher education

The Committee recognizes, as part of the changing landscape in higher education, the necessity for diversity in the types of programs offered to assist individuals in their pursuit of postsecondary education. To this end, the Committee specifically recognizes the need for dual and concurrent enrollment programs that enable some secondary school students to earn postsecondary credit in programs of study at an institution of higher education. According to the National Center for Education Statistics (NCES), in school year 2002–2003, 71 percent of high schools offered dual credit courses. In response to this trend, the Committee clarifies that students in dual or concurrent enrollment programs may be admitted as regular students to institutions participating in programs authorized under the Higher Education Act of 1965.

The bill clarifies that degrees from rabbinical schools will continue to be recognized as equivalent to baccalaureate degrees. Additionally, the Committee recognizes the growing need for access to educational programs that do not lead to a specific occupation, such as liberal arts programs, as a way to ensure that students develop the critical skills necessary to understand the rigors of reasoning and to develop a basic knowledge of inquiry. Given that these other programs can serve as a building block to higher learning, particularly for programs such as teacher preparation, the Committee believes that efforts to expand access to liberal arts education programs, including those at accredited for-profit universities, should be continued.

Foreign medical and nursing schools

The Committee recognizes the need to clarify the law with respect to foreign medical schools and to expand the number of foreign medical schools that may participate in the student loan programs to address the critical shortage of nursing and medical professionals.

Under current law, foreign medical schools must meet one of two requirements to participate in the student loan program. First, at least 60 percent of those students enrolled in, and at least 60 percent of the graduates of, the institution may not be American citizens or legal permanent residents. In addition, at least 60 percent of the students or graduates of the institution taking the examinations administered by the Educational Commission for Foreign Medical Degrees must receive a passing score. Second, an institu-

tion must have a clinical training program that was approved by a state as of January 1, 1992. H.R. 4137 clarifies the second requirement to ensure that an institution remains eligible to participate in the student loan program so long as the institution has continuously operated a state-approved clinical training program in at least one state. This clarification enables such an institution that to maintain its eligibility in the event that the approved clinical training program ceases to operate or in the event that 33 that institution opts to change the clinical training program affiliated with the institution. This provision of H.R. 4137 ensures that students are not forced to interrupt their studies and training while the institution waits for re-approval.

The limited enrollment availability at U.S. medical schools and in nursing programs prompted the Committee to recognize more foreign medical schools and to allow for the creation of a new foreign nursing program. The expansion of current law will allow access to only unsubsidized Stafford or PLUS loans, and an institution must agree to reimburse the Secretary for the cost of any defaulted loan in the institution's cohort default rate during the previous fiscal year. The Committee supports exploring options to increase the number of health professionals in the United States, but directs the Secretary to monitor the expansion of the program closely to guard against misuse of the loan programs.

College costs

With the passage of the College Cost Reduction and Access Act, P.L. 110–84, Congress made a deliberate and necessary federal investment in the future of our nation's students and families, investing nearly $20 billion in federal aid. The Committee is concerned that despite this significant federal investment, little to no effective action has been undertaken by institutions or the states to address the crisis of escalating college costs.

A poll conducted by the Public Policy Institute of California reveals a fear among California residents who believe their children will not be accepted to a university or will be unable to afford it even if they are invited to enroll. This sentiment is reflected in other national surveys on the topic of the perception of college affordability. This fear expressed by the public is rooted in reality. According to the College Board's most recent data on college costs, the average tuition and fees, even after adjusting for inflation, has increased by more than 44 percent in the ten years preceding the 2007–2008 academic year. Because of these increased costs, as well as an aversion to accumulating debt, a full 40 percent of today's qualified high school graduates will never enter postsecondary education.[5] Costs are also driving students to work more to pay for their education. In testimony before the Committee on May 1, 2007, U.S. PIRG cited their report "At What Cost?" which found that 74 percent of full-time students graduating in 2000, worked while attending school. Of these students, nearly half worked more than twenty-five hours a week. Increased hours of work schedules have been shown to negatively impact a student's grades and over-

[5] Advisory Committee on Student Financial Assistance, "Mortgaging Our Future; How Financial Barriers to College Undercut America's Global Competitiveness," September 2006.

all educational experience and his or her educational attainment beyond the traditional four years of education.

The Committee strongly believes that colleges and states can and should do more to address the rising cost of college. To that end, H.R. 4137 provides for disclosure and transparency by institutions of higher education, and establishes a benchmark for states to encourage them to be true partners in the postsecondary education of students.

Transparency in college costs

The Committee believes that students and parents must be able to access information and make comparisons between schools in order to make informed choices about which school to attend. To address this need, the bill requires the Bureau of Labor Statistics to develop a higher education price index (HEPI) for each type of institution that accurately reflects annual changes in tuition and fees for undergraduate students. The Secretary of Education will publish an annual list that allows individuals to sort information by state or type of institution. The list will rank institutions based on their changes in tuition and fees over the previous three years. Those institutions, whose increase in tuition and fees exceeds the increase in the HEPI, will be placed on the "Higher Education Watch List." When a school is placed on this list, the bill requires it to create a "Quality Efficiency Task Force" to examine the institution's operating costs and make recommendations for increasing efficiency. The Committee adopted an amendment by Representatives Timothy Bishop (D–NY), Carolyn McCarthy (D–NY), and Yvette Clarke (D–NY) that modifies the exceptions to the HEPI requirements. In accepting this amendment, the Committee recognizes the potentially ambiguous data resulting from the indices for low-cost public institutions and intends to continue working to address this concern when H.R. 4137 is considered on the floor of the House.

The concern about the cost of college spans all types of institutions. The Committee intends that the efforts mandated under this section of the bill address all sectors and types of higher education institutions. The bill also provides for the creation of a model document, the University and College Accountability Network, to be used by institutions for annual reports of basic information useful for consumers. Accountability is among the core principles identified by the Committee to help guide higher education reform, and the Committee believes accountability will be achieved by placing more information about colleges and universities into the hands of students.

State maintenance of effort

The past decade has seen a decline in states' financing of higher education relative to other state commitments and, as confirmed in testimony before the Committee on November 1, 2007 by the President of the California State University of Long Beach, F. King Alexander, there is a connection between state support for higher education and college costs:

> It is quite obvious that as State appropriations slide downward, student tuition and fees must rise. . . . Over the last decade studies have highlighted the instability of

> State appropriations and the effects of State policy on public institutional tuition changes. . . . [T]he most influential reason for increases in public college and university costs is the drastic fluctuations of State appropriations . . .

The Committee is concerned about the continued fluctuations of state support for higher education. In recognizing that state support is vital to the future success of U.S. higher education, H.R. 4137 requires states to maintain their current levels of college financing or risk losing federal funds under the newly created Grants for Access and Persistence program. Dr. Alexander described the notion of a "maintenance of effort" in his testimony as a "necessary part of the federal/state partnership" to ensure that states continue their current level of support. "Maintenance of effort" has historical roots in the Elementary and Secondary Education Act which, under title I of that Act, requires states to maintain a level of support in order to receive federal funds.

To account for the realities of the current economies of some states, the bill includes an exemption from this maintenance of effort for states experiencing severe economic constraints.

National Advisory Committee on Institutional Quality and Integrity (NACIQI)

The National Advisory Committee on Institutional Quality and Integrity (NACIQI) has served to advise the Secretary on matters related to the recognition of accreditors. H.R. 4137 offers an alternative path to achieve this advisory function by reconstituting NACIQI with individuals appointed by members of Congress in addition to those appointed by the Secretary. The Committee adopted an amendment by Representative Peter Hoekstra (R–MI) that modifies the Congressional appointments to ensure that members of the majority and minority parties would each appoint six individuals. In accepting this amendment, the Committee demonstrates its belief that by equally distributing the appointment of the Congressionally-nominated members among the majority and minority parties to NACIQI, the process may be depoliticized and the committee may truly function in an advisory capacity to the Secretary. Understanding the need for a period of transition, the Committee approved a provision to allow the reconstituted NACIQI to begin in 2009.

Textbook information

While tuition, fees, and room and board are typically the primary costs of attending college for most students, the Committee believes that the cost of textbooks can also play a significant role. This legislation requires publishers to provide pricing information to faculty and other college and university personnel when they are making purchasing decisions and to provide combined or "bundled" materials separately. Once faculty make their curriculum and textbook decisions, the bill directs institutions and college bookstores to provide textbook cost information to students before they choose their classes so that they may consider and budget for such expenses.

According to a 2005 Government Accountability Office (GAO) report, college textbook costs have risen at twice the rate of inflation.

The report found that textbook costs can increase a student's overall college costs from 8 percent at private institutions to over 72 percent at some public institutions and community colleges. In addition, the Advisory Committee on Student Financial Assistance, in a report requested by Congress, found that current grant and scholarship programs, which can barely meet the challenge of rising tuition costs, are insufficient to mitigate college textbook costs. The GAO's 2005 report also found that publishers have begun developing and distributing alternatives to college textbooks in order to provide less expensive materials, but they have had to incorporate the development costs into the price of domestic textbook sales. Furthermore, the GAO reported that demand for textbook alternatives has been insufficient to offset publishers' development costs and reduce the overall costs of college textbooks. Finally, the GAO report found that publishers have engaged in agreements with overseas distributors to restrict American students from purchasing lower-cost textbooks from overseas, regardless of the similarity between domestic and overseas editions.

The Committee believes that H.R. 4137 will ease the burden of rising textbook prices by ensuring that faculty, students, and bookstores all have sufficient and relevant information to make informed choices before purchasing textbooks.

Unit record system prohibition

The Committee believes that students pursuing higher education have an expectation of basic privacy protections, and that these protections should not be compromised as a result of attending an institution of higher education. For that reason, the Committee accepted an amendment by Representative Virginia Foxx (R–NC) that prohibits the Secretary of Education from collecting personally identifiable student-level data for a federal database. The prohibition does not alter the Department's current surveys or data collection efforts to meet the requirements of the Higher Education Act. Further, this prohibition does not adjust any efforts to develop databases at the individual state level.

The Committee understands that the longitudinal sample surveys carried out by the National Center for Education Statistics, such as the Baccalaureate and Beyond Study, the Beginning Post-Secondary Study, and the National Postsecondary Student Aid Survey, involve the voluntary participation of samples of students rather than the collection of extensive, personally identifiable data on all students, and are not subject to the prohibition. Additionally, efforts under the No Child Left Behind Act that encourage the development of data systems at the state level should not be affected by this prohibition.

Enhancing consumer protections

Student loans serve as one of the primary means of access to higher education for students and families. Ensuring that our nation's federal student loan program is working as intended—to help students and parents pay for college—is critical to protecting the integrity of the program and to providing students greater access and opportunities to pursue their educational aspirations. Beginning in early 2007, the Committee launched several oversight activities and investigations, in response to heightened concerns

about questionable relationships among schools, student loan lenders and government officials.

In March 2007, the Committee began examining the relationships among schools and several of the largest student loan lenders in the industry. Additionally, in April 2007, the Committee began investigating potential financial conflicts of interest among lenders, United States Department of Education employees and some school student financial aid officers. As a result of its oversight and investigations, the Committee uncovered a number of unethical practices and disturbing findings, including:

- Lenders staffing schools' financial aid offices, procuring printed materials for schools, catering school and financial aid office functions, and providing other benefits, including access to private loan funds to schools, in exchange for preferential treatment with regard to student loans, such as placement on the school's list of preferred or recommended lenders provided to students;
- Lenders spending large sums of money to entertain school officials;
- Schools engaging in revenue or profit sharing with lenders recommended to students;
- School and government officials holding financial interests in lender companies recommended to students; and
- School officials receiving consulting contracts and payments from lenders that were recommended to students.

Also, in April 2007, the Committee heard additional evidence of unethical practices in the student loan industry during a Committee investigative hearing. New York Attorney General Andrew M. Cuomo appeared before the Committee to discuss his office's student loan investigation and testified that his office had likewise uncovered questionable practices and relationships among schools and student loan lenders. He further testified that the Department of Education's lax oversight over the student loan programs has allowed corrupt practices and conflicts of interest to develop within the system.

In July 2007, the GAO issued a report in response to a request from this Committee that further documented the Department of Education's failure to safeguard the nation's federal student loan programs. The report recommends that the Department immediately increase its oversight of lenders and schools and fully enforce current law, which prohibits lenders from using inducements to gain an advantage with respect to federal student loans from a college or university.[6] The report also found that the Department did not have a sufficient oversight program in place to identify and address questionable lender behavior. In addition, despite repeated requests from lenders for the Department to provide direction on inducements, the Department had not updated its inducement guidelines in nearly twenty years and, in some cases, did not respond to lenders' inquiries at all. The report also determined that the Department had a poor system for dealing with complaints of improper lender behavior. For example, out of twenty-six documented complaints received by the Department between 2001 and

[6] Government Accountability Office, Federal Family Education Loan Program: Increased Department of Education Oversight of Lender and School Activities Needed to Help Ensure Program Compliance, GAO–07–750 (Washington, D.C.: July 31, 2007).

2006, only two complaints prompted action by the Department, and fourteen complaints were left unresolved. Furthermore, the report found that the Department attempted to use its sanctioning authority against lenders accused of improper inducements only twice over the past twenty years.

In 2003, the Department's Inspector General urged the Department to issue guidance to lenders and schools on its regulations regarding inducements and gifts.[7] Similar to the GAO report, the Inspector General noted that the Department's guidance to lenders was outdated. Since the Department had last issued any guidance concerning these matters, the student loan industry had undergone significant changes with increasing demands for benefits or services by schools and escalating competition among lenders. The Inspector General further noted that, in the absence of guidance from the Department, the industry itself had tried but failed to reach consensus on a set of guidelines concerning what constituted appropriate lender behavior.

The Committee believes that the unethical and questionable practices identified by the Committee and others—regardless of how widespread or commonly accepted—must come to an end. The nation's financial aid system exists for a single purpose: to serve students and their families. Students and parents deserve to know that they are getting the best deal possible on their college loans and that all arrangements made between schools and lenders are in the best interests of helping borrowers. The Committee recognizes that not every institution, financial aid officer or lender was engaged in these questionable practices and that many work to ensure students have access to a variety of financing options to achieve their dream of a college education.

This bill, the College Opportunity and Affordability Act of 2007, will help to restore students' trust in the nation's financial aid system by addressing the questionable practices and problems identified by the Committee. The bill incorporates, with additional refinements, the Student Loan Sunshine Act (H.R. 890), which overwhelmingly passed the House earlier this year with tremendous bipartisan support, by a vote of 414–3. In particular, H.R. 4137 will, among other important reforms:

- Require schools to adopt strict codes of conduct that prohibit conflicts of interest;
- Ban gifts and financial compensation, participation on advisory councils, and revenue-sharing agreements between lenders and schools;
- Require that lists of preferred or recommend lenders be compiled based solely on students' best interests;
- Ensure that students are not impeded from their choice of lender; and
- Establish measures to provide students clear, concise, and consistent information that will allow students to compare lenders' products when taking out and repaying loans.

The Committee recognizes the valuable role that schools' financial aid officers have in counseling students and their families about their options for paying college costs and that, in light of to-

[7] U.S. Department of Education Inspector General, Review of Lender Inducements, ED/OIG I13C0003 (Washington, D.C.: August 1, 2003).

day's skyrocketing costs of attending college, their role has never been more important. The Committee also recognizes that many student financial aid officers are dedicated professionals who care deeply and are passionate about assisting students to enroll in and complete college. The Committee believes that the reforms included in the bill will restore and foster the public's trust in the role of these officials in response to the recent controversies that have shaken the nation's student financial aid system. Further, the changes in the bill will better enable student financial aid officials to continue their critical work providing students and their parents with professional, objective, and sound financial aid advice.

The Committee notes that the provisions in the bill banning gifts and payments are not intended to prohibit charitable or philanthropic contributions to schools by lenders, guarantors, or loan servicers. But, such contributions must not be in absolutely any way in exchange for any advantage sought by a lender, guarantor or loan servicer with respect to student loans. The bill also requires that such contributions be disclosed to potential student loan borrowers. Additionally, the Committee does not intend for restrictions included in the bill to prohibit lenders, guarantors, loan servicers, or schools from participating in or supporting outside events designed to assist students in applying to college or completing the federal financial aid process, such as College Goal Sunday, a national initiative sponsored by the Lumina Foundation and the National Association of Student Financial Aid Administrators.

The Committee notes that while the College Opportunity and Affordability Act of 2007 prohibits school officials' participation on lender advisory boards, as well as bars certain contracting arrangements between school employees and student loan lenders, the legislation contains provisions that permit certain relationships to continue. It is the intent of the Committee that college and university presidents are allowed to continue serving on lenders', guarantors', and loan servicers' boards of directors and that bank presidents and other officials may continue their service as trustees of educational institutions, provided that, among other things, appropriate conflict of interest policies and procedures are in place to prevent conflicting interests from being advanced.

The Committee continues to be concerned about conflicts of interest among lenders and schools, especially with respect to instances of quid pro quo arrangements. These arrangements include the practice of lenders conditioning the offer of a pool of private loan funds, such as recourse loans or opportunity pools, on a school agreeing to give the lender an advantage, including the delivery to the lender a specified number of loans, a specified loan volume, or a preferred lender arrangement for federal student loans. The bill prohibits such quid pro quo deal making.

The Committee intends that the provisions of the bill will allow lenders to offer schools recourse loans/opportunity pools, as long as such arrangements do not violate the quid pro quo restrictions. Additionally, the Committee intends the provisions of the bill to operate in a manner that classifies any arrangement between a lender and a school for such funds as a preferred lender arrangement under the provisions of the Act. Consequently, the institution and lender would be subject to the reporting, disclosure and other requirements for preferred lender arrangements. Furthermore, as a

result of related provisions included under title IV of this bill that require schools that enter into preferred lender arrangements to do so with multiple private loan lenders, and multiple federal student loan lenders, as applicable, it is the Committee's intent that a borrower at any particular school would never be in the position of having a choice of only one preferred lender for private student loans or a choice of only one preferred lender for federal student loans. It is the Committee's expectation that the presence of multiple lenders will provide some measure of meaningful borrower choice and will provide at least a minimum level of assurance of the absence of a quid pro quo arrangement between a lender and a school.

The Committee intends to continue its oversight and investigative activities to meet its responsibility to students, families and taxpayers to ensure that the nation's student aid system is designed and administered in a responsive and efficient manner. Ensuring that students and families have access to and can continue fulfilling their dreams of achieving a college education is simply too important and too critical to do otherwise. Moreover, ensuring that higher numbers of Americans receive additional education and training beyond high school is imperative for the nation to effectively compete in the new global economy. The Committee will monitor and assess the implementation of the new initiatives and requirements included in the College Opportunity and Affordability Act to ensure that the intended objectives are met and that any needed improvements are identified.

TITLE II—TITLE II REVISION

The passage of the landmark No Child Left Behind Act in 2002 highlighted the notion that every child should be taught by a highly qualified teacher. As noted by the GAO in their testimony before the Committee on May 17, 2007, "teachers are the single largest resource in our nation's elementary and secondary education system. Approximately three million teachers are responsible for educating over 48 million students . . ." In addition, analysis by the University of Tennessee Value-Added Research and Assessment Center indicates that the single most important school based factor to raising student achievement is the quality of a student's teacher.

The Committee believes that in order for teachers to excel in their crucial role as educators, more must be done to address their needs by providing them with necessary supports and effective training programs. By eliminating the existing state grant program in title II and focusing on the partnership grant program, the bill strengthens programs that prepare prospective and new teachers with strong teaching skills and research capabilities. Comprehensive preparatory programs such as induction and residency will help ensure that our teachers receive quality instruction and develop the necessary skills to succeed in the classroom and educate students at every level. The Committee expects that activities required under title II of this bill will complement the larger teacher preparation efforts required by title II of the No Child Left Behind Act.

Induction programs for new teachers

According to the National Center for Education Statistics, 33 percent of teachers leave the profession after their first three years and 46 percent leave within their first five years—the point at which teachers tend to peak in their abilities. Further, the Alliance for Excellent Education reports that the United States spends an estimated $5 billion annually due to the loss of approximately 400,000 teachers. The Committee believes, and research consistently supports, that comprehensive induction programs that provide support through not less than the first two years of a new teacher's career will significantly reduce the number of teachers who leave their schools and the profession. Moreover, research from the New Teacher Center shows that beginning teachers who received structure mentoring more closely resemble and can achieve student learning gains equal to those of veteran teachers. As a result, title II of H.R. 4137 authorizes the creation of induction programs as a required use of partnership grant funds. Comprehensive Induction programs like those authorized by H.R. 4137 include high quality mentoring by experienced and qualified individuals, structured collaboration time with teachers in the same department, grade, or field, structured meeting time with administrators, application of empirically based practice and scientifically valid research on instructional practice, assistance with understanding and using student achievement data, professional development activities, and regular evaluations of new teachers. Induction programs may also provide for reduced teaching loads, the support of a teaching aide, and the evaluation of the mentors and of the overall program.

Teacher residency programs

Teacher turnover drains schools of already limited resources. For high-need schools with attrition rates 50 percent higher than schools with more resources, the challenges are significant. The Committee believes we must address this problem and focus new efforts on recruiting a new generation of teachers to fill openings in high-need schools and hard-to-staff subjects. Innovative residency programs underway in Chicago, Boston and Denver require service commitments in high-need schools and boast retention rates that range from 90 to 100 percent. The Committee further believes that preparatory programs must provide teachers with not only the credentials, but also the skills and training to be truly effective in the classroom. Residency programs (like those authorized by the partnership grants in H.R. 4137) couple extensive classroom experience with relevant masters-level coursework. Participants in these programs become highly qualified by teaching alongside a mentor teacher for an entire academic year while earning a masters degree, teacher certificate, or license. These teachers receive substantial preparation and instruction before they ever independently manage a classroom. Research shows that residency programs develop educators with stronger teaching skills and those who remain in the teaching profession for longer periods of time.

Accountability

It is the intent of the Committee that teacher preparation programs, both traditional and those providing alternative routes to

state certification, should strive to increase the quality of individuals graduating from their programs with the goal of exploring ways to assess the impact of such programs on students' academic achievement. Additionally, the Committee believes that states should play a role in helping to evaluate the effectiveness of programs. To that end, H.R. 4137 imposes an annual report requirement on institutions of higher education, both traditional and those providing alternative routes to state certification programs, to provide information to the state and the public. Additionally, each state must submit to the Secretary, a similar report on the quality of teacher preparation programs in the state for both traditional programs and those providing alternative routes to state certification. The Committee intends to use these reports to continue assessing the progress of these programs to ensure that they are meeting their obligation to make teachers well-prepared to teach when they enter the classroom.

Digital age learners

The Committee believes that in today's climate of economic global competitiveness it is incumbent upon our nation to produce teachers who have the skills and expertise to prepare students who will succeed in a technologically-advanced environment. To support this goal, the Committee replaced Part B of current law with "Preparing Teachers for Digital Age Learners." Many teacher candidates are already avid users of technology in their personal lives. However, being facile and dexterous with technology for personal use does not necessarily translate to an expertise in integrating technology into classroom learning for raising student learning outcomes, or developing skills for the 21st century, such as higher order thinking, learning and problem solving skills, and creativity and innovation. Yet, there are programs such as the Technological Pedagogical Content Knowledge for Teaching and Teacher Educators that can instruct teachers in both the design and implementation of meaningful classroom applications of technology with the goal of improving student learning outcomes. Unfortunately, the need is great. The National Center for Education Statistics reports that a majority of teaching institutions have significant barriers to providing teacher candidates with field experiences where they can learn or practice technology-related skills. With the inclusion of "Preparing Teachers for Digital Age Learners", H.R. 4137 authorizes competitive grants to transform the way departments and schools teach technology integration and to develop partnerships linking technologically-capable teachers with high-need schools.

Recruiting teachers with math, science, or language majors

The Committee believes that too many students, especially those in high-poverty schools, are taught by teachers who lack a major in the subject they teach. Research by the National Commission on Teaching and America's Future shows a positive relationship between teacher preparation and knowledge of their subject and student achievement. Yet, according to the Education Trust, 70 percent of math classes in high-poverty middle schools are taught by teachers without a major or minor in math, and 57 percent of all science classes are taught by teachers without a major or minor in science. More than 12 million students in grades 7–12 are taught

by teachers who do not have a degree in the subject they are teaching. The Committee seeks to focus new recruitment efforts in high-need subjects, and H.R. 4137 authorizes a competitive grant program to improve the recruitment of teachers among students majoring in math, science, foreign languages, special education or English language instruction by offering financial incentives.

Teach For America

The Committee recognizes Teach For America's innovative and successful approach to teacher recruitment and the lasting impact Teach For America corps members have had in the movement to eliminate education inequity in schools and school districts. Since its creation in 1990, Teach For America has placed more than 17,000 outstanding college graduates of all academic majors in under-resourced schools around the country, reaching more than 2 million students. After teaching for two years as corps members, more than 63 percent of Teach For America alumni remain in education as teachers, principals, school founders, and policy advisors, becoming lifelong leaders for expanding educational opportunity. Others remain in public service careers in other fields. By authorizing a partnership between Teach For America and the federal government, the Committee believes it will give Teach For America additional tools to help dramatically expand its reach to more than 8,000 corps members teaching nearly 680,000 students every day in thirty-three urban and rural communities.

Early childhood education professional development and career task force

The Committee recognizes the importance of quality preparation and professional development for early childhood educators across the sectors of early childhood education programs. H.R. 4137 establishes competitive grants to support the preparation and mentoring of early childhood educators and to improve the compensation of early childhood educators as they earn postsecondary degrees. The Committee acknowledges research that shows that the quality of early childhood education programs and children's readiness for school is closely tied to the quality of knowledge and skills of educators in those programs. Yet the preparation, ongoing professional development, and other supports to the early childhood workforce are fragmented in delivery and resources. Under Good Start Grow Smart, states are required to plan a professional development system as part of their Child Care and Development Block Grant State plan. However, there have been no resources and limited direction to states to help them perform this critical work. In addition, the issue of woefully inadequate compensation (typically less than $20,000 per year) for the early childhood workforce must be addressed by states in order to promote recruitment and retention of high quality early childhood educators in child care, Head Start and other early childhood education program settings. To rectify these problems, H.R. 4137 offers grants to establish or enhance existing state-based task forces on early childhood education to develop plans for comprehensive state-wide career systems.

Partnership grants for leadership development programs

The Mid-continent Research for Education and Leadership has discovered a positive correlation between administrator tenure and student achievement. Yet the Committee acknowledges a lack of assistance to states and school districts that are struggling with the increasing pressure to fill vacancies in school administration. Nowhere is this challenge greater than in geographically isolated and high-poverty school districts. While there has been a great deal of attention on teacher preparation and efforts to attract new teachers to the profession, there has been considerably less focus on addressing the education leadership deficit. The Committee accepted an amendment by Representatives Phil Hare (D–IL) and Dave Loebsack (D–IA) to create the Partnership Grants for Leadership Development. This program will train education administration students to serve as superintendents, principals or other school administrators. Students enrolled or preparing to enroll in education administration programs, including current teachers or principals who want to advance their careers, will have access to training and mentoring specific to their needs, including intensive induction programs and recruitment incentives.

The role of community colleges in teacher preparation

Increasingly, community colleges are offering specific teacher education programs and degrees. The most recent information shows that 351 community colleges offered 686 degree programs in education (not including early childhood education and teaching assistant programs), the vast majority of which were two-year associate degrees. Many of these degrees are fully articulated with teacher education programs at four-year universities and provide their students with clinical experiences. Similarly, because of their geographic ubiquity, affordable tuition, and close partnerships with local school systems, community colleges are key factors in teacher professional development and alternative routes to certification. The Committee believes a greater community college role in teacher preparation and development is especially important to increasing the number of teachers from underrepresented populations and in high-need areas.

Recognizing the ever-growing role that community colleges play in the preparation of teachers, the Committee includes the authorization of a new program, the Community Colleges as Partners in Teacher Education Grants. This program recognizes the essential role that community colleges play in the undergraduate preparation, post-baccalaureate certification and in-service professional development of teachers. While a precise number is not available, state estimates and national studies suggest that half or more of all teachers nationwide attend a community college. In Florida, for example, 52 percent of the graduates from university-based teacher education programs are community college transfers. Data show that 60 percent of the teachers graduating from the University of Illinois system started at a community college. These statistics are in line with the fact that nearly half of the nation's baccalaureate degree recipients completed at least some of their course work at a community college.

The Honorable Augustus F. Hawkins Centers of Excellence

The demand for more ethnically and culturally diverse highly qualified teachers is critical, especially given the significant growth in the numbers of minority K–12 students across the country. According to the National Center for Education Statistics, "from 1993 to 2003, minorities increased as a percentage of total public school enrollment from 34 percent to 41 percent."

Accordingly, H.R. 4137 authorizes grants for the creation of Centers of Excellence at high quality HBCUs and Minority Serving Institutions. The Committee believes that the Centers of Excellence will provide HBCUs and MSIs that have a demonstrated record of preparing highly qualified teachers with a leadership role in recruiting and preparing highly qualified teachers, and also increase opportunities for Americans of all educational, ethnic, economic, and geographic backgrounds to become highly qualified teachers.

In general, the purposes of these Centers are to increase teacher recruitment at Minority Serving Institutions and make institutional improvements to teacher preparation programs at such institutions. Opportunities that increase the numbers of minority teachers and enhance their training, will support broader strategies to enhance instructional opportunities for, and can help to eliminate the achievement gaps of, minority students.

The Committee is further concerned with other underrepresented populations in the teaching profession, including minority males. A report by NCES in 2003 found that only 2.9 percent of full-time instructional faculty and staff at degree-granting institutions are African American males. Although some academic fields (such as engineering and fine arts) enjoy rates close to 5 percent, the percentages of African American men in various departments remain fairly consistent at around 3 percent. It is the Committee's intent that the Centers of Excellence and the teacher residency component of the partnership grants, aim to address this disparity in order to increase the number of minority males in teaching positions in our public schools.

Augustus F. "Gus" Hawkins was the first African American elected to the House of Representatives from the State of California and a founding member of the Congressional Black Caucus. As a ground-breaking leader, Representative Hawkins chaired numerous committees, including the Committee on Education and Labor, and authored more than 300 pieces of state and federal legislation. His comprehensive record of achievement includes extensive education legislation and the establishment of the Equal Employment Opportunity Commission to combat employment discrimination, which continues to exist today. The Committee finds it fitting to name these newly created Centers of Excellence after Augustus F. Hawkins as a tribute to his record of excellence and as an inspiration to continue working towards equality.

TITLE III—INSTITUTIONAL AID

The National Center for Education Statistics reports that since 1984 minority undergraduate student enrollment has surged by 146 percent compared to a growth of 15 percent for the non-minority population. The number of institutions designated specifically to support minority undergraduates has also grown from 414 in 1984

to 1,254 in 2004. These institutions represent less than one-third of all degree granting title IV institutions, while enrolling more than half of all minority students in postsecondary education. These institutions also enroll a much higher percentage of low-income and first-generation college students than non-minority-serving institutions.

By reauthorizing title III, the Committee recognizes the pivotal role these institutions play in ensuring access to postsecondary education and in increasing the number of college graduates so that the nation can maintain and improve its global competitiveness. H.R. 4137 includes many provisions, including some provisions outside of title III, designed to strengthen these institutions and expand their participation in all of the higher education programs.

American Indian Tribally Controlled Colleges and Universities

The purpose of section 316 or H.R. 4137 is to provide grants and related assistance to Tribally Controlled Colleges and Universities (TCCUs) to enable such institutions to improve and expand their capacity to serve Native American students. Such grants have served the thirty-four federally supported TCCUs in the United States, which educate over 30,000 students, by offering associates, bachelors, and masters degrees, as well as over 200 vocational certificate programs. In many instances, TCCUs offer hope for communities struggling with acute economic and health problems. Such challenges were shared by Olivia Venegas-Funcheon, President of Tohono O'odham Community College (TOCC) in Arizona, in her testimony before the Subcommittee on Higher Education, Lifelong Learning and Competitiveness on June 4, 2007. The funds provided to TOCC purchased a state-of-the-art science laboratory for research opportunities and programs. The funds also helped establish a study center to provide tutoring and mentoring for students enrolled in developmental coursework. Of particular significance are the additional resources the grant has helped bring to TOCC, including funds from the Department of Defense. These funds leveraged from other sources are important for TCCUs given the historical challenges of Native Americans. The Committee recognizes that TCCUs do not have sufficient financial resources to provide these educational opportunities without federal assistance.

The Committee makes changes to the structure of the program to better support TCCUs in their missions. Specifically, the Committee permits the Secretary to use unexpended appropriated funds to award grants of no less than $500,000 on a formula basis. Sixty percent of these funds are to be awarded proportionally, based on the number of Native American students enrolled at these colleges and universities. The remaining 40 percent would be distributed equally among all eligible schools.

Colleges or universities that are eligible for and receive funds under section 316 are not eligible to receive any additional funding concurrently, under parts A or B of title III. Eligible institutions would not be subject to the wait-out period with respect to new funding under section 316.

Additional support for minority populations

Recognizing the need to further expand the support for minority students, the Committee created additional designations within title III for Native American-Serving, Nontribal Institutions, Predominantly Black Institutions (PBIs), and Asian American and Native American Pacific Islander-serving institutions.

Native American-serving, nontribal institutions

While TCCUs have played a significant role in supporting Native American communities, the Committee recognizes that Native Americans are attending college at greater rates than ever before and many Native American students are attending nontribal institutions of higher education. In 2002, forty-two public and private institutions of higher education served Native American student populations of 10 percent or greater. However, despite the increasing number of Native American students eligible for college enrollment, only 11 percent of the population graduates with a bachelor's degree or higher. Moreover, Native American students are disproportionately enrolled in two-year colleges, and are much less likely to finish college than their non-Native American peers. Native American student educational attainment continues to lag far behind that of the total student population. Many Native American students come from families with low incomes, have parents with low levels of education, and are less likely to have completed a precollege curriculum in high school. With increasing enrollment, nontribal institutions of higher education that serve large populations of Native American students require resources to improve and expand their capacity to serve the unique and diverse needs of their Native American student population.

To assist nontribal institutions of higher education to better serve Native American students, the Committee has established a competitive grant program for those institutions serving a Native American student population of 10 percent or greater. Grants will support curriculum development and academic instruction, faculty development, and student services such as academic tutoring and counseling. The Committee recognizes that the grant program will improve the capacity of Native American-serving, nontribal institutions of higher education to provide quality educational opportunities for Native American students to narrow the educational attainment gap and to better prepare students to meet the demands of a competitive workforce.

Predominantly Black Institutions

Many higher education institutions have been ineligible for federal grants to enhance college access for low-income and minority students because they are not Historically Black Colleges and Universities (HBCU) established prior to 1965. The Committee finds that at least 75 additional institutions, currently not receiving funding under part B that serve more than 200,000 students, would be eligible for these monies under this authorization. As such, the bill extends the college access grants to Predominantly Black Institutions (PBIs).

PBIs are different than HBCUs in mission, history and, in some instances, resource challenges. Similar to HBCUs, they are meeting vital higher education needs for traditionally underrepresented stu-

dents, a disproportionate number of whom are African American. The allocation formula will be similar to the formula for the title III, part B HBCU institutions. Awards will be based on the percentage of Pell Grant recipients, students graduating within a specified period of time, and students progressing to degree programs at the next academic level. The PBI grant program will increase college access for the growing number of urban and rural minority students whose family and financial situations limit their college attendance.

Asian American and Native American Pacific Islander-serving institutions

The population of Asian American and Native American Pacific Islanders (AAPI) is an exceptionally diverse population. Characteristics of the AAPI population vary according to ethnicity, immigration patterns, historical experiences, and social group issues. The diversity of the population is reflected in the federal government's categories for Asian Americans and Pacific Islanders. There are 17 ethnic groups considered to be Asian and four ethnic groups considered to be Pacific Islander. Neither definition reflects AAPIs who may identify as "more than one race".

The distinct cultural, linguistic, socioeconomic, and historical experiences that affect educational attainment of different AAPI subpopulations are often overlooked because programs and policies are based on aggregated data and the assumption that AAPIs are a monolithic group.

While Asian Americans and Pacific Islanders overall have the highest college graduation rates of any group (44 percent in 2000), certain subgroups have much lower rates of degree attainment. Only 13.8 percent of Vietnamese Americans, 5.8 percent of Laotian Americans, 6.1 percent of Cambodian Americans, and less than 5.1 percent of Hmong Americans had college degrees. Only 13.8 percent of Pacific Islanders had degrees. To address this challenge, the Committee includes the creation of a new program within title III to designate institutions that serve this population. Such a program will provide the assistance to institutions to expand their capacity to identify and assist underserved AAPI students.

Historically Black Colleges and Universities

Part B of title III was first enacted by Congress as part of the Higher Education Act Amendments of 1986 as the Historically Black College and University Act. The intent of the legislation then and now is to eliminate the disparity of educational opportunities for minorities in the United States.

The Committee believes that in the nation's struggle to offer the ideal of an equal education for all Americans, Historically Black Colleges and Universities (HBCUs) have played a critical role to enrich and inspire postsecondary education for African-Americans, low-income, and educationally disadvantaged Americans. For many generations from slavery to segregation, HBCUs were the only institutions in which minorities could receive a postsecondary education.

Their significance is only underscored by the fact that they represent only 3 percent of all colleges and universities, yet they enroll 16 percent of all African Americans in four-year degree granting in-

stitutions. Additionally, 24 percent of all PhDs earned each year by African Americans are conferred by twenty-four HBCUs; eighteen of the top twenty-three producers of African American students who go on to receive science related PhDs are HBCUs; four of the top ten producers of successful African American medical school applicants are HBCUs; eight of the top ten producers of African American engineers are HBCUs.[8]

To ensure the continued success of these institutions and the students they serve, the Committee has made changes to title III that include establishing minimum grant allotments and modifications to uses of funds to support activities such as financial literacy. And to further enhance the graduate programs within HBCUs, the following six universities are added to the list of qualified graduate programs: Alabama State University, Bowie State University, Prairie View A&M University, Delaware State University, Langston University, and the law school at the University of the District of Columbia.

Endowments at HBCUs

The Journal of Blacks in Higher Education reported in 1997 that the combined endowments of all 41 colleges represented by the United Negro College Fund Historically Black Colleges and Universities were about one fourteenth the size of the largest endowment held by a single institution nationally ($8.8 billion). In a more recent report conducted by the Southern Education Foundation, Howard University had a $308 million endowment while the largest endowment held by a single institution nationally had increased to $18 billion. Endowments play a critical role ensuring the stability and sustainability of institutions like HBCUs.

In order to address this growing challenge faced by HBCUs, the Committee increased the authorization levels for the Endowment Challenge Grant program, which have not been increased since 1980.

Supporting Capital Needs at HBCUs

Many of our nation's HBCUs are housed in historical buildings that are in significant need of renovation, updating, and repair. Congress established the HBCU Capital Financing program to provide HBCUs with resources for repairs and renovations. The limit on the amount of bonds that may be outstanding was reached in the effort to assist institutions impacted by the Gulf Coast hurricanes. In order to allow the Secretary to continue issuing bonds for the program, the Committee includes language to increase the amount of outstanding bonds that may be issued.

Support for institutions impacted by Gulf Coast hurricanes

H.R. 4137 includes a provision to provide the Secretary of Education with waiver authority to hold Gulf Coast hurricane-affected institutions of higher education harmless from the enrollment-driven title III formula for the FY 2008–FY 2012 cycle. Gulf Coast hurricane affected institutions of higher education currently face a challenge maintaining their title III funding level due to enroll-

[8] Subcommittee on Higher Education, Lifelong Learning and Competitiveness, Hearing: "Higher Education Act: Institutional Support for Colleges and Universities Under Title III and Title V," June 4, 2007.

ment decreases that are a direct result of the hurricanes that devastated communities in 2005.

The Committee believes that these provisions are necessary in order for these institutions of higher education to continue expanding their capacity to serve low-income students by providing funds to improve and strengthen the academic quality, institutional management, and fiscal stability of eligible institutions.

Minority Science and Engineering Improvement Program

There is broad consensus that to remain globally competitive, the United States must produce more graduates in the fields of science, technology, engineering, and mathematics (STEM). The Committee recognizes that in order to accomplish this goal, it will be necessary to dramatically increase the number of under-represented minorities pursuing these fields. According to the U.S. Census, 39 percent of the population under the age of 18 is a racial or ethnic minority. That percentage is expected to pass 50 percent by the year 2050. Yet, in 2000, only 4.4 percent of the science and engineering jobs were held by African Americans and only 3.4 percent by Hispanics.

Early outreach, awareness and engagement are essential to encouraging youth to pursue STEM fields. H.R. 4137 establishes Youth Engagement in STEM Partnerships to address this need by leveraging the community ties of title III and title V institutions to establish outreach and experiential-based learning projects that encourage students to pursue careers in the STEM fields.

One example of where this approach has been successful is the Hispanic Engineering Science and Technology (HESTEC) Initiative that has been established by the University of Texas Pan American, a Hispanic-serving institution in Edinburg, Texas. Over the last six years, HESTEC has provided over 25,000 pre-college students and 5,000 teachers hands-on, experiential learning opportunities in the STEM fields. Over the same period, the University of Texas—Pan American has seen its engineering enrollment grow from 720 to 940, with 88 percent of the engineering majors being Hispanic. The YES Partnership Grants Program will enable other institutions to launch similar outreach and engagement initiatives.

Mandatory funds from the College Cost Reduction and Access Act

The College Cost Reduction and Access Act included mandatory funds for HBCUs and MBIs. Through a technical change in this bill, the Committee intends to clarify that the funds be disbursed through the rules that govern title III, specifically that institutions defined under 101 are the only institutions that shall have access to these mandatory funds. The Committee directs the Secretary to work to disburse these funds as soon as possible.

TITLE IV—TITLE IV AMENDMENTS

Part A—Part A Amendments

Pell Grants

The Committee believes that the Pell Grant program is the cornerstone of all federal need-based federal student aid. In the 2006–2007 academic year, more than five million students benefited from the Pell Grant. The language in H.R. 4137, to significantly increase the authorized maximum award from $5,800 to $9,000, begins to

restore the purchasing power of the Pell Grant program. Continued commitment to the Pell Grant program is critical in addressing access to and affordability of higher education.

The actual maximum Pell Grant award increased by $260 in the 2007–2008 award year, and will increase by at least an additional $490—to a maximum award of $4,800—in the 2008–2009 award year. It is the hope of the Committee that the Appropriations Committee will build on the progress made by our Committee earlier this year and continue to increase the maximum award in coming years.

Year-round Pell Grants

In order to help financially needy students who are working to graduate quickly, the bill allows for year-round Pell Grants. Currently, students may only receive Pell Grants based on the traditional two semester academic year. This limits options for students studying year-round or on a non-traditional schedule.

The provision of year-round Pell Grants will reduce costs to students and move them through their programs more quickly, thereby allowing institutions to increase enrollments and accelerate course completion and graduation for students. Additionally, year-round Pell Grants reduce the amount of debt that a student would otherwise accumulate, by eliminating the need to finance their education with loans.

The Committee believes that in the coming decades, many states will experience significant increases in postsecondary education enrollments. Offering year-round Pell Grants will allow institutions of higher education to make better use of current facilities by encouraging students to attend college on a year-round basis. Students who choose to take classes all year could complete a two-year associates or a four-year bachelor's degree in less time than usual. In addition, students may use the new summer Pell Grant eligibility to take courses that are overbooked in the regular academic year due to rising enrollments, concentrate on certain courses that require intensive study, or prepare for difficult or preliminary coursework (particularly incoming freshman and transfer students).

Pell Grant eligibility

Current law prohibits an individual who is incarcerated in a state or federal penal institution from receiving federal student loans and Pell Grants. However, in some states individuals convicted of serious sex offenses may be confined in mental health facilities. Under current law individuals so confined are eligible for Pell Grants. In 2004, over 50 individuals convicted of serious sex offenses confined in one mental health facility in Florida had received over $200,000 in Pell Grants. Representative Ric Keller (R–FL) offered an amendment to modify the eligibility requirements for Pell Grants by ensuring that offenders who remain in custody through involuntary civil commitment' not be eligible for the awards. The Committee believes that this amendment is not intended to thwart the rehabilitation or education of such offenders, but it does address a very specific and particularly dangerous group of offenders and does not permit federal funds to be expended to these individuals through Pell Grant awards.

Pell Grant limitation

Representative David Davis (R–TN) offered an amendment to limit the length of time a student may receive a Pell Grant to eighteen semesters or twenty-seven quarters. Until 1992, a student's eligibility was limited to six years. This amendment ensures that this reauthorization will refocus grant aid to students who are actively pursuing a degree, while at the same time, recognizing the growth in part-time attendance. The Committee believes this will encourage students to make consistent progress toward a degree while protecting the federal fiscal interest in higher education. By basing the limit on semesters or quarters rather than years, this amendment reflects the growing number of part-time and non-traditional students who pursue a degree over an extended number of years.

Data from the Department of Education shows that less than 1 percent of students received eight Pell Grants over an eleven year span. This data demonstrates that the vast majority of students will easily meet this requirement.

Academic competitiveness and SMART grants

The Committee is aware that the first year implementation of this program generated significant concerns. Therefore, the bill includes provisions to ensure that going forward the program will better meet students' needs. The Committee specifically acknowledges the different determinations of academic year by institutions, and accordingly makes changes to ensure that grants under this section are awarded at the same time as other financial student assistance. Further, the Committee strongly believes that all students eligible for federal student aid, not only United States citizens, should be eligible to receive this aid. Therefore, this legislation ensures that the eligibility requirements are consistent with those for all federal student aid programs. In light of current enrollment trends, H.R. 4137 extends the eligibility for this aid to students who attend at least half-time or more, and to those pursuing a certificate in an eligible field of study.

TRIO

The TRIO programs have served many low-income students as they access, persist and graduate from secondary and postsecondary institutions, by providing student support services, college preparation, tutoring and other activities.

The bill provides important technical changes to clarify the definitions of the terms different campuses and different populations. The Department of Education's current regulations narrowly define additional campuses. Its definition thwarts an institutions ability to apply for grants to serve diverse groups of disadvantaged students at various campuses. The Committee intends for institutions with multiple campuses to be able to serve multiple populations.

In response to recent controversies about the competitive grant process, the bill outlines outcome measures and evaluations procedures to ensure that programs are of high quality. Further, the Committee adopted an amendment offered by Representative Robert Scott (D–VA) that creates an appeals process that allows applicants and current grantees to appeal adverse grant decisions before an administrative law judge.

The Committee is concerned with the establishment of an absolute priority for the 2007 Upward Bound grant cycle that required all grantees to have 30 percent of all first-time participants be high-risk academically, further the priority required grantees to only select first-time participants to be in the 9th or 10th grade (unless they were previously served at another grant site), and, finally, required the grantee to be willing to participate in an evaluation. Some members of the Committee expressed these concerns in an August 2006 letter to the Secretary. The Committee is further concerned with the manner by which these priorities were communicated to Congress and the community, and the impact this priority will have on grantees and ultimately the students the programs serve.

TRIO for veterans of the Armed Forces

The bill also resolves two issues important to veterans who are being served by the Upward Bound TRIO program. First, the bill authorizes the use of Upward Bound funding for Math and Science programs for veterans. In taking this action, the Committee recognizes that from 1991 through 2004, the Department of Education successfully funded Veterans Upward Bound Math Science programs at both Humboldt State University and Montana State University. In 2004, the Department of Education unilaterally decided to discontinue these grants after thirteen years despite the fact that one of the grantees has successfully won the competition to operate its Veterans Upward Bound Math Science program and was completing the first year in a multi-year grant. The Committee action specifically provides the legislative authority to fund such programs, and the Committee expects the Secretary to reinstate these programs for the duration of the grant cycle. The Committee further expects the Secretary to honor the terms under which the grants were originally awarded including funding level, number of students to be served, recruitment criteria, provision of room and board, and the ability to offer veterans the opportunity to earn math and science credit.

In return, the Committee expects the grantees to comply with all applicable accountability measures and new program outcomes that are part of the legislation. Further, the Committee intends for the programs to continue on a competitive basis for the duration of the authorization period. In taking this action, the Committee believes such efforts will ensure that these important outreach initiatives will continue to be offered to veterans across the country, as they return from service, to better prepare them to pursue a postsecondary education and gain the skills they need to be successful in today's economy while complying with new accountability standards and program outcome measures.

Second, the bill ensures that grantees are able to provide services for reservists that served on active duty, including those who served in support of a contingency operation in the reserve component for any period of time after September 11, 2001, and for reservists who were called to active duty for any reason so long as their period of service was more than 180 days. Since 2001, more than 40 percent of the troops sent overseas have been members of the reserve component of the Armed Forces. Under current law, upon returning home, these men and women are not given the

same benefits as individuals that served active duty in the Upward Bound program. The changes put forward here will ensure that these individuals are eligible to receive the same services under Upward Bound as other veterans.

GEAR UP

As a new program established in the 1998 amendment to the Higher Education Act, GEAR UP has proven to be an effective model in preparing low-income students for college. Recent data from the United States Department of Education shows that 84 percent of the first class of GEAR UP students graduated from high school in 2005. This remarkable graduation rate is well above those of other low-income students (52.1 percent) and all students nationally (73.9 percent).

In H.R. 4137, the Committee intends to strengthen the GEAR UP program by enabling grantees to serve students through the transition to college and by building incentives for partnerships to offer scholarships as a component of their GEAR UP grant. Additionally, the Committee adopted amendments to enhance the services provided to students and families by focusing on areas such as financial literacy, parental involvement, and dissemination of college information.

Leveraging Educational Assistance Partnership/Grants for Access and Persistence

The Committee believes that the changes made to the Leveraging Educational Assistance Partnership (LEAP)—including providing students with information about their grants and implementing the Grants for Access and Persistence program—will strengthen the program by leveraging the financial assistance provided under this program in a way that is more effective for students, states, and the federal government. These improvements to LEAP will broaden participation to include all stakeholders working to increase the number of financially needy students who can access and succeed in college.

H.R. 4137 replaces the Special Leveraging Educational Assistance Partnership with Grants for Access and Persistence (GAP). By doing so, the Committee seeks to ensure the continued success of LEAP, the only program in which the federal and state governments work together to extend higher education opportunities to financially needy students. Under the GAP program, awarded to states that receive LEAP funds above $30 million, states will be rewarded for creating cohesive partnerships with colleges, foundations, businesses, and early intervention and mentoring programs. Access and persistence partnerships have three main purposes: to provide low-income students with adequate grant aid to ensure access to four-year colleges and eliminate unmet need; to provide early notification to low-income students of their eligibility for financial aid; and to increase participation of low-income students in early information, intervention, mentoring, and outreach programs. Research on college access programs with such components has shown that participating students are more financially and academically prepared, and thus more likely to enroll in college and persist to degree completion.

The Committee strongly encourages states to develop strong and broad partnerships that include philanthropic and business organizations, colleges and early intervention and mentoring programs. The Committee encourages the Secretary and states to coordinate the early notification components of the GAP program with other existing or new early financial aid awareness efforts in order to avoid duplication of services or information. Further, the Committee encourages the Secretary and states to work together to coordinate the GAP program with the Challenge Grant program to ensure continuity of services.

High School Equivalency Program (HEP) and the College Assistant Migrant Program (CAMP)

Farm-worker migrant and seasonal students are among the most disadvantaged youth in this nation and have one of the highest drop-out rates. They encounter tremendous obstacles in completing high school and transitioning and completing postsecondary education. For over three decades, the High School Equivalency Program (HEP)—College Assistant Migrant Program (CAMP) programs have been successful in helping farm-worker migrant and seasonal students to overcome barriers and provide them with opportunities to succeed in both secondary and postsecondary education by providing support services to help students make the transition to college.

The College Opportunity and Affordability Act of 2007, builds upon the success of the existing HEP–CAMP program by making improvements to the current program to allow additional activities that helps with the transition and improve the persistence and retention of farm-worker migrants students in postsecondary education. Activities include child care, transportation and follow up services. The legislation would also mandate data collection regarding farm-worker migrant and seasonal students' high school graduation rates, entrance and completion of postsecondary education to better understand the obstacles these students face in successfully completing postsecondary education. These improvements to the HEP CAMP programs would help to close the access and completion gaps for farm-worker migrant and seasonal worker students and their families and help make college education a more affordable, achievable dream.

Robert C. Byrd American Competitiveness Program

Over the past several years the Committee has heard from multiple witnesses that our nation's competitiveness depends on the quality of our science, technology, engineering and mathematics related workforce. Careers in these disciplines support the United States in maintaining its leadership in innovation and in ensuring that we can solve challenging problems such as designing new technologies, protecting our nation, and maintaining a strong economy. Therefore, the Committee is discouraged that America's high school students are struggling to keep up with their industrialized-world peers in the fields of mathematics and science and believes that Congress must do more to encourage our young people to pursue careers in these fields, providing not only for their prosperity but that of the entire nation.

Accordingly, H.R. 4137 includes a comprehensive proposal to help strengthen American competitiveness by increasing opportunities for students to study mathematics, science, and related fields. H.R. 4137 builds on the framework of existing federal higher education investments to better reflect the national priority of increasing the number of American students studying advanced science and mathematics. H.R. 4137 updates the Robert C. Byrd Honors Scholarship program to meet this priority.

The College Opportunity and Affordability Act of 2007 includes three distinct approaches to increase mathematics, science and foreign language opportunities for students. First, the bill authorizes mathematics and science honors scholarships to encourage students to pursue a baccalaureate, masters, or doctoral degree in physical, life, or computer sciences, mathematics, and engineering. This idea, generated from testimony provided by Mr. Norm Augustine during the hearing that took place in the 109th Congress, "Challenges to American Competitiveness in Math and Science," is intended to provide an incentive for more students to persist in studies in the math and science disciplines. Mr. Augustine's testimony pointed out that in the mathematics field, current trends indicate that of 3,500 ninth graders interested in math, only 300 of those students will qualify as freshmen to pursue a degree in mathematics. Of the 300 students, only 10 will receive a bachelors degree and only one will finish at the Ph.D. level.

Second, H.R. 4137 authorizes the Secretary to pay up to $5,000 in student loan interest for individuals who have obtained degrees in science or mathematics and serve as teachers or other professionals in related fields. The loan forgiveness also provides an incentive for students to enter into the math and science fields. In addition, this incentive attempts to maintain people in the math and science fields by requiring that anyone receiving this forgiveness must work in a math or science related field for at least five years.

Finally, the College Opportunity and Affordability Act of 2007 authorizes the Secretary to award grants to partnerships composed of institutions of higher education and local educational agencies to increase the number of highly qualified teachers in critical foreign languages and increase the number of students who achieve the highest level of proficiency in these languages.

These provisions build on the provisions included in the America COMPETES Act, P. L. 110–69, and will help ensure that the country's young people are armed with the skills needed to bolster America's competitiveness throughout the world.

Part B—Federal Family Education Loans

Loan forgiveness in areas of national need

Our nation's workforce, while strong and vibrant, suffers shortages in key sectors. Acknowledging this need, the Committee expands the loan forgiveness program to offer up to $10,000 ($2,000 per year for five years) of loan forgiveness to individuals in professions considered to be areas of national need as designated by the Secretary. This program includes loan forgiveness for: early childhood educators, nurses, foreign language specialists, librarians, highly qualified teachers serving students who are limited English

proficient in low-income communities and teachers who are individuals from underrepresented populations, school counselors, public sector employees, nutrition professionals, national service program participants, medical specialists, mental health professionals, and speech language pathologists. The Committee believes authorizing loan forgiveness for these areas with demonstrated national need will provide a step in the right direction as the nation works to alleviate shortages in key fields.

Of significant concern to the Committee is the critical shortage of nurses. Dating back to 2000, there was a 6 percent shortage of nurses and other health care professionals. The need for nurses is projected to increase to by almost 30 percent in the next fifteen to twenty years. There is also a shortage of professionals available to teach students to become nurses, exacerbating the shortages today and those we will see into the future. Over the next ten years, more than 2 million nurse faculty will leave the field for other careers.

Similar shortages are predicted in allied health professions. According to the U.S. Bureau of Labor Statistics, the health care industry is predicted to add nearly 3.5 million new jobs between 2002 and 2012, an increase of 30 percent. A large majority of these new jobs will be in allied health professions. At the same time that demand for allied health professionals is expected to grow, there are a variety of challenges relating to the training and retention of these professionals.

The Committee is additionally concerned with the shortage of well-trained and qualified early childhood educators. The evidence of a shortage of early childhood educators and the importance of having qualified people serve in these positions is clear. The Economic Policy Institute, the Keystone Research Center and the Foundation for Child Development recently published a report titled, "Losing Ground in Early Childhood Education: Declining Workforce Qualifications in an Expanding Industry, 1979–2004, " in which it was demonstrated that the share of early childhood staff with college degrees has dropped significantly over the past twenty years, from 43 percent to 30 percent. In addition, the report pointed out that the most educated cohort of early childhood teachers are retiring in the next fifteen years and there are not enough students in the pipeline to fill those positions. Moreover, the demand for early childhood programs is growing. Today, approximately 70 percent of families with children include two working parents or one unmarried working parent. Nearly 12 million children under give years of age are in some type of regular child care arrangement, including 55 percent of infants under one year of age and 67 percent of three and four year olds. Access to high quality programs staffed by qualified early childhood educators is essential for all children to receive the support and care they need during the years in which their brains are growing the fastest. Increasing the supply of well-trained early childhood educators is an essential component to helping more children arrive at kindergarten ready to succeed and to closing the achievement gap.

Loan forgiveness for civil legal assistance attorneys

A study released in 2005 found that only 50 percent of the people eligible for legal services (meaning they had household income for

a family of four of $25,800 or less) were able to get legal help from a legal aid program.[9] Estimates are that closer to 80 percent of low income Americans actually have unmet civil legal needs. Unfortunately, there is only one legal aid attorney available per 6,861 low-income Americans, compared to one attorney for every 525 middle-income Americans. One key reason for this disparity is the inability of legal aid programs to recruit and retain attorneys.

As law school tuition has skyrocketed, legal aid salaries have not increased in any significant way. Between 1992 and 2002, public law school tuition increased 134 percent and private law school tuition increased 76 percent. A recent survey found that with median law school debt at $70,000 with an additional $16,000 in undergraduate debt, over 65 percent of new law school graduates were prevented from even considering a public service career.

The average starting salary for a legal aid attorney is $36,000 a year. Yet among those attorneys who do commit to a legal assistance program, 90 percent graduated with debt. The debt averaged $77,000 translating into payments of $12,000 a year.[10] Given these financial realities, many law graduates who take positions with legal aid leave after only two or three years of service.

To address this growing challenge, the Committee includes language to build on existing loan repayment and retention programs for federal prosecutors and twenty-nine other government agencies, including the Department of Justice and the Congress, by providing partial loan repayment assistance to full time civil legal assistance lawyers. The Committee strongly supports this aid to this group of attorneys in exchange for commitments of service. It is the belief of the Committee that such a program will help ease the challenges of recruiting and retaining qualified and talented attorneys working as legal aid attorneys.

Delinquency prevention, default aversion, and consumer information

As found in titles I and X of H.R. 4137, in response to the Committee's oversight and investigative findings, the Committee provided for improved consumer disclosures and school and lender reporting on terms and conditions of federal student loans. The Committee recognizes that guaranty agencies can play an important role in assisting students and families take full advantage of the clear, concise and consistent information that will be available to help inform students and parents as they undertake critical educational financing decisions. As more and more students turn to loans to finance their education, the Committee believes that additional and enhanced budgeting and financial management, including debt management and other aspects of financial literacy, such as the cost of using high interest loans, and the consequences of defaulting on loans, can help students and families avoid costly mistakes that can have an indelible and devastating impact on their lives.

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[9] 2005 Justice Gap Report. See report at the following link: http://www.lsc.gov/JusticeGap.pdf

[10] ABA Lifting the Burden: Law Student Debt as a Barrier to Public Service Report at page 40. See report at the following link: www.abanet.org/legalservices/downloads/lrap/lrapfinalreport.pdf

Cohort default rates

Over the years, a number of provisions have been enacted under the Higher Education Act to protect the integrity of the federal student aid programs. One effective mechanism was to restrict federal loan eligibility for students at schools with very high cohort loan default rates. These rates have served as a relatively reliable indicator of the quality of programs and resulting success of the students in the job market. Under current law, loss of eligibility occurs if an institution has a cohort default rate of 25 percent or more for three consecutive years. Although the overall cohort default rate has fallen to 4.6 percent in 2005, from an overall high of 22 percent in 1992, the snapshot taken for purposes of the cohort default rate should be expanded to coincide with the change in the definition of default from 180 days to 270 days, in order to ensure a more realistic calculation.

Unfortunately, current cohort default rates may not provide an accurate picture of the number of students who are defaulting. According to a 2003 report by the Department of Education's Inspector General, some schools use various strategies to keep defaults from being counted.[11] These strategies include working to keep borrowers from defaulting during the maximum two-year period, the time in which cohort default rates are calculated. Such actions may mask actual default rates which tend to increase over time.

The Committee adopted an amendment offered by Representatives Raúl Grijalva (D–AZ) and Tim Bishop (D–NY) to address this potential inconsistency and to provide Congress with realistic information on defaults. This language lengthens the period in which the cohort default rate is collected in order to capture the defaults that occur just beyond the current window and will make it more difficult for institutions to avoid defaults from being counted. The language extends the cohort default rate by one year.

The Committee believes that it is also important to continue to follow loan defaults over the life of the loan by calculating and publishing updates to the initial cohort default rates annually, by institutional sector. The Committee recommends that such follow-up apply to all sectors in order to provide a clearer picture of default rate trends.

Part C—College Work-Study

Work-study has played a growing and necessary role in the financing of a student's education. During a hearing held by the Committee on May 1, 2007, Luke Swarthout of U.S. PIRG cited a report of the organization that 74 percent of full-time students graduating in 2000 worked while attending school. The Committee believes that work-study is a valuable program for students in the financing of their education and to that end H.R. 4137 reauthorizes the program.

Additionally, the Committee supports the continued use of funds for community service through an expansion of the program that allows funds under the program to be used for activities that respond to the needs of a community during natural disasters. As a

[11] Audit to Determine if Cohort Default Rates Provide Sufficient Information on Defaults in the Title IV Loan Programs (Washington, DC: Department of Education Office of Inspector General, December 2003).

further extension of these efforts, the Committee includes language to allow for institutions of higher education to supplement off-campus community service employment.

To ensure that institutions are properly informed about the need to encourage community service through the work-study program, the Committee requests the Department of Education and the Corporation for National and Community Service to provide all necessary information and technical assistance to participating institutions in order to help them expand the use of work-study funds for community service, and to strengthen the connection between federal work-study jobs and the educational or career goals of participating students.

Work colleges

The Committee continues to support work colleges as institutions that have proven an effective means of providing students the opportunity to work and learn. The bill includes language that encourages new models of student-organized volunteer service projects provide students with the opportunity to participate in volunteer service projects associated with institutions of higher education is an excellent way to develop leadership and civic engagement.

Part D—Federal Direct Student Loans

Loan forgiveness

The College Cost Reduction and Access Act (P.L. 110–84) created a loan forgiveness program to encourage individuals to pursue public service. Specifically, the legislation revised the Direct Loan Income Contingent Repayment program to allow individuals who choose public service the option to have their loans forgiven after ten years if payments are made during that time period. The Committee makes changes to this program to clarify the categories of jobs that qualify for public service.

Direct loans

The Committee reauthorizes the Direct Loan program. Further, the Committee adopted an amendment by Representative Tom Price (R–GA) to authorize the Secretary to conduct an audit of the program. The Committee believes such an audit is consistent with the process the Secretary should use for the oversight of all federal student aid programs and notes that this provision does not give the Secretary authority to diminish the valuable role that the Direct Loan program plays in the financing of higher education and as serving as an alternative to the Federal Family Education Loan program.

Part E—Perkins loans

The purpose of the Perkins loan program is to lend low-cost funds to borrowers with demonstrated financial need. Perkins loans make a significant difference for low-income borrowers who do not otherwise receive enough funds to pay for college. The Committee believes that, given this purpose and the need the Perkins loan program will be an essential of higher education financing for the foreseeable future.

Throughout the history of the Perkins Loan program, $7.9 billion in federal contributions has been leveraged to award over $24 billion in loans to financially needy students through almost 22 million aid awards, making it one of the most effective public-private partnerships in the federal government. Perkins loans offer financially needy students a long-term, fixed 5 percent interest rate loan. Without Perkins loans, the over 700,000 borrowers would be forced to borrow from high-cost alternative sources, such as private education loans.

H.R. 4137 reauthorizes the Perkins loan program and increases the annual maximum loan limits from $4,000 to $5,500 for undergraduates and from $6,000 to $8,000 for graduate or professional students. Additionally, the aggregate loan limits are increased from $20,000 to $27,500 for undergraduates and from $40,000 to $60,000 for graduate and professional students. H.R. 4137 emphasizes that collections of assigned loans should be returned to the revolving fund of the campus that assigned the loan, after deducting the Department's collection costs. The bill harmonizes certain requirements under the Perkins loan program with those of the FFEL and DL programs. In particular, Perkins borrowers would no longer be required to request forbearance in writing. In addition, in order to rehabilitate a defaulted loan, borrowers would be required to make nine consecutive monthly payments. H.R. 4137 also provides improved disclosure in the consolidation process regarding loss of Perkins benefits and allows for expanded cancellation opportunities for full-time firefighters, full-time faculty at tribal colleges, librarians, and speech-language pathologists.

The Committee notes that the Secretary lacks the authority to require assignment of defaulted Perkins loans and it is the intent of the Committee that any funds collected from defaulted Perkins loans, including loans that have been assigned to the Department of Education for additional collection activities, be returned to the program's revolving fund and available for new loans to future students.

Part F—Need analysis

The Committee believes that the needs analysis system should be as comprehensive as possible to recognize the differing situations of students and to ensure that students receive an appropriate amount of federal student aid. This legislation builds on the existing system by ensuring that veterans receiving education benefits are not financially harmed; clarifies the treatment of military housing benefits; allows nursing home expenses to be considered when financial aid officers are making exceptions for unique circumstances; and allows 'total income' for dislocated workers to be based on estimated income.

Additionally, the Committee recommends further exploration of the challenges faced by students who live in high-cost areas of the country. Under the current calculation of expected family contribution (EFC), students living in areas with a high cost of living face a significant disadvantage using the federal need analysis formula set in title IV. The current formula protects a standard allowance for all families to use for housing and other living expenses, and presumes that all families have similarly proportionate amounts left over from their income to use for their children's college costs.

As a result, families who live in certain areas of the country and who must allocate a larger percentage of their income to their housing costs than estimated in the need analysis have less money available for college than the formula indicates. The Committee is particularly concerned that this circumstance significantly affects low-income students' eligibility for Pell Grants, the amount of their Pell Grants, and decreases or eliminates eligibility for students for federal student loans.

Part G—General provisions

FAFSA

For many families, applying for federal student aid can be an overwhelming task. The Committee believes that, particularly for students who are the first in their families to go to college, ensuring the provision of useful and early information and making the application process simpler means that fewer students see the application as a barrier to college. This bill simplifies the existing Free Application for Federal Student Aid (FAFSA) by encouraging the Secretary to reduce the number of questions required to be entered by the applicant by 50 percent over the next five years. For reapplications in subsequent years, the bill also streamlines the FAFSA process.

To address the needs of first-generation college students and ensure that lack of family financial literacy does not stand in the way of attaining a college education, the bill creates a two-page FAFSA-EZ form for low-income students and families who qualify for the "automatic zero" expected contribution or the simplified needs test. Additionally, the Committee believes that information about available aid is an important factor in making an informed decision about college attendance. Therefore, H.R. 4137 directs the Secretary to implement a system that allows students and families to enter information and receive estimates of their Expected Family Contribution and total amount of aid in the years prior to enrollment in higher education.

H.R. 4137 includes a Sense of the Congress for the Department of Education and the Internal Revenue Services (IRS) to work together by sharing information germane to student aid applications. According to a report issued by the Institute for College Access and Success, by pre-populating the FAFSA form with information held by the IRS, approximately two-thirds of the income related questions could be eliminated from the FAFSA form while enhancing the integrity of the application process. Such a proposal could increase access by making the form less daunting and greatly reducing the time and calculations now required of families. Further, because the information would come directly from IRS, there would be fewer errors and miscalculations, resulting in more accurate aid awards and reducing the paperwork burden for institutions by eliminating the need for verifying income information.

Student eligibility

Under current law, students lose their eligibility for student aid if they were convicted for the sale or possession of drugs while receiving federal aid. The provision does not affect students who may have been arrested prior to the start of their first year of college,

nor does it affect students who may have an arrest during a semester or summer off from classes if they were not receiving federal student aid during that period. In addition, the Committee adopted two amendments offered by Rep. Mark Souder (R-IN). The first amendment requires institutions to inform students upon enrollment with a separate, clear and conspicuous written notice that advises students about the penalties for a drug conviction. The second amendment provided one additional manner in which a student can regain eligibility for student aid by giving students the option of passing two unannounced drug tests without participating in drug rehabilitation program. The Committee believes the Department of Education should take sufficient measures to ensure the integrity and privacy of these drug tests. Such drug testing should utilize only highly-reliable methods conducted by a qualified drug rehabilitation program.

The Committee believes that the Department of Education and institutions of higher education should take all necessary steps to ensure that students understand the implications and provisions of section 484(r). As currently worded, the "drug penalty" question on the FAFSA form serves as a potential barrier to entry, because many students fail to complete their financial aid application due to a lack of complete understanding about the prohibition. Data from the Department of Education show that in the 2007–2008 award year, at least 15,700 students initially filled the form out in such a way that they would have been ineligible for financial aid for at least part of the academic year. Upon further review and revision of these applications, approximately 5,400 students were deemed ineligible for aid—34 percent of those originally deemed ineligible for aid.

Therefore, the Committee believes that the Department of Education should immediately re-word the question on the FAFSA form in order to more accurately reflect the provision. The re-worded question should include: a threshold question about whether the student has ever received student aid—if they have not, they cannot be disqualified because of a conviction; a clarification that a conviction for alcohol does not disqualify a student for federal aid; information incorporated from the FAFSA worksheet that helps to clarify the limitations on aid and notes that an applicant may be eligible for federal aid depending on the date of the conviction; and a request for students to submit the worksheet on convictions so that the Department can gather more accurate data or review these worksheets for any errors. Further, the eligibility/drug conviction worksheet should be changed to include information on how students can regain eligibility after being convicted of a drug offense.

Data analysis on access to federal student aid for certain populations

As Congress continues to examine the issue of drug-related student eligibility, it is critical to have full information about the impact of the provision. The Committee intends that the information collected, analyzed, and made available to the public under this section will provide an understanding of the demographic background of the students excluded from federal aid by the drug prohibition as well as the nature of the offenses underlying the exclu-

sion. The information at a minimum shall include, but is not limited to, the total number of students affected and the numbers disaggregated by the following categories: family income, dependency status, age, zip code, gender, marital status, family size, highest level of education of mother, highest level of education of father; parental marital status, state of legal residence, grade level in school, degree or certificates sought, status as ward of the court, status of dependent children, veteran status, active military status, receipt of benefits from any of the federal benefit programs listed on the FAFSA, and WIC, whether denial was based on drug possession or sale, number of convictions for selling, number of convictions for possession, year of last conviction for selling, year of last conviction for possession, whether the student had attended an acceptable rehabilitation program, whether the student had completed two unannounced drug tests, and, if possible, whether the person was previously denied federal financial aid due to a drug conviction.

Financial aid for students with intellectual disabilities

The Committee acknowledges the unique challenges students with intellectual disabilities face in meeting the enrollment and coursework requirements for federal financial aid. The Committee authorizes eligibility for Pell grants, work-study programs, and Supplemental Educational Opportunity Grants for students with intellectual disabilities who meet the financial need criteria, even if they are enrolled in non-degree programs.

Disability determination

H.R. 4137 makes a subtle but powerful change to the parameters around total and permanent disability discharge provisions. The Higher Education Act has long provided for the discharge of a student's loan in the case of death and total and permanent disability. In 2000, the regulations surrounding the total and permanent disability discharge changed dramatically. New and additional burdens to students already facing very difficult life and health situations were added in an effort to stem perceived fraud and abuse. While the Committee agrees with enforcing standards to ensure that only those who are truly qualified receive such benefits, the accompanying requirements must also be reasonable. H.R. 4137 provides that, if the Veterans Administration determines an individual is totally and permanently disabled, the Secretary of Education shall accept that determination for the purposes of title IV. The Committee believes that a balance can be achieved between providing for this discharge without unnecessary administrative burden on recipients and preventing fraud and abuse. The Committee believes that once an individual has met the burden of proof relating to disability for the purposes of the discharge of a student loan under rules established under another federal agency, there should be no need for an additional federal agency to revisit that determination.

Veterans

Veterans and active duty service members returning from war need additional support to be successful in post-secondary education. Many veterans face financial, academic, and social barriers

to successfully completing postsecondary education. Coordinating veterans' health and education benefits with student financial aid is often challenging, resulting in some veterans forgoing benefits they have earned as a result of fulfilling their duty. Campuses are struggling to support veterans returning from Iraq and Afghanistan, many of whom are suffering mental and physical health challenges from their service in a war zone.

The Committee has included several provisions in H.R. 4137 to address the growing needs of veterans on campus. In the need analysis calculation for federal student assistance, H.R. 4137 ensures fair treatment of veterans by clarifying the treatment of military housing and by crediting veterans' contributions to their Montgomery GI bill benefits.

Information for students; campus safety

The Committee is particularly concerned with the safety of students and personnel on our nation's campuses, not only in emergency situations but also on a daily basis. It is the intention of the Committee that the amendments made to this section will help protect students and personnel on campuses.

Section 488(b) "Criminal Offenses Reported," requires "degree granting institutions" to add four crime categories to their regular Campus Crime Statistics reporting. The Committee believes that this change will facilitate uniformity in campus crime reporting to both the Department of Education and the FBI's Uniform Crime Reporting (UCR) Program, the voluntary national crime data collection program based on the submissions of more than 17,000 city, county, state, tribal, and federal law enforcement agencies. Each of the offense types required under this section is already an integral part of the FBI UCR crime data reporting program.

To increase awareness of hate crimes on college campuses, the 1998 amendments to the Higher Education Act required all colleges and universities to collect and report hate crime statistics to the Office of Postsecondary Education (OPE) of the Department of Education. The Department of Education utilized the definition of hate crime developed by the FBI, but the criminal offenses required to be reported did not match the existing FBI crime categories. The current HEA crime category omissions have resulted in critical gaps in OPE data, as well as discrepancies and substantial inconsistencies between FBI and OPE hate crime statistics. The Committee believes that this provision will provide parents and students a more accurate sense of campus safety, by making the crime categories required to be reported to the Department of Education parallel those collected by the FBI's UCR Program and published in its annual publications, Crime in the United States and Hate Crime Statistics.

Further, the Committee acknowledges the importance of informing the victim, or the next of kin in case of the victim's death, in specific instances of student misconduct at institutions of higher education. However, it also recognizes the need to maintain the protection and privacy of student educational records, as required under federal privacy laws. Therefore the Committee included in H.R. 4137 a requirement for institutions of higher education to disclose the final results of any disciplinary proceeding to an alleged victim of any crime of violence or non-forcible sex offense. This will

ensure the institution carefully examines the complaint and if any action is taken that the victim, or victim's family, knows what action the institution took in regard to the crime and is informed while protecting student privacy. This provision will help institutions of higher education and victims work together toward greater safety on campus.

Articulation agreements

It is the intention of the Committee that states work in partnership with public institutions to develop comprehensive articulation agreements among such institutions by 2010. Such articulation agreements will help students transfer credits between institution and ensure a quicker and less expensive path to graduation. In particular, states are encouraged to develop agreements between community colleges and four-year institutions. The provisions included in H.R. 4137 are not intended to supersede the academic freedom of any institution, nor is it intended to require institutions to accept credits from another institution.

The Committee notes that states have begun to implement such agreements, and have employed best practices including common course numbering and general education core curriculum. While the Committee recognizes that all states have already taken some measures to employ articulation agreements among institutions, it is the intention that this language will encourage states to develop comprehensive agreements that employ best practices and ensure that students receive credit for courses taken.

Accordingly, the Committee wishes to acknowledge the National Articulation and Transfer Network (NATN), which has been working to develop a nationally coordinated articulation and transfer network to increase the percentage of credits accepted in transfer and fully counted toward the degree or certificate completion requirements of undergraduate students. NATN is supported and sponsored by hundreds of institutions of higher education across the United States with Minority Serving Institutions being at the forefront of its current efforts. The Committee believes that NATN can become a national center of information for students and institutions to facilitate the enrollment, transfer, and full-credit articulation of students. The Committee encourages the institutions to work closely with NATN and its partner institutions and organizations to find ways to ease the transfer burden for postsecondary students.

The "90/10 Rule"

The 90/10 rule was put into effect by the 1998 Higher Education Act Amendments (P.L. 105–244), replacing its predecessor, the 85/15 rule, which was authorized by the 1992 Higher Education Act Amendments (P.L. 102–235).

During the 1998 reauthorization process, Congress reduced the percentage of revenue that proprietary institutions had to obtain from non-title IV sources to a minimum of 10 percent. The Department of Education modified the definition of revenue and calculation of eligibility through regulations following the 1998 reauthorization.

Recognizing that institutions should continue to demonstrate that they maintain non-federal funds, the Committee adopted a

provision that retains the 90/10 rule but moves the requirement from an "eligibility criterion" in section 102 to a "program participation" criterion under the program participation agreement (PPA) currently in law.

In addition to the move to the PPA, the language includes strict rules as to what may count in an institution's 10 percent. As outlined in H.R. 4137, the following sources of funds currently count toward meeting the 10 percent requirement: funds paid out of pocket by students, or on behalf of students, to cover tuition and fees; school activities, such as a restaurant, required for students' education and training; non-federal grant aid received by students; federal and non-federal job training funds used to pay a student's tuition and fees; section 529 pre-paid tuition and college savings plans used by a student to pay tuition and fees; private loans made to students by the school that are in repayment; and institutional scholarships from an outside source.

The move to PPA removes the automatic termination of a school's eligibility for federal student aid after a single violation of the rule. To ensure proper oversight of this move, the Committee includes additional safeguards to balance the increased flexibility afforded to schools. These include increased sanctions for violating the rule two years in a row (schools will be banned from title IV program participation for three years in such cases) and increased monitoring and reporting requirements after violating the rule for one year. In addition to these safeguards, the Committee believes that there should be public disclosure of any school that violates the rule in any given year. Moreover, the bill requires that the Secretary annually report to the authorizing committees the result of the 90–10 calculation for each school, thereby allowing the Committee to monitor compliance and assess any unintended consequences.

The Committee believes this is a carefully balanced approach toward easing the burden of the rule on schools while providing additional safeguards to protect students and the federal fiscal interest. The Committee urges the Secretary to use the information collected on the 90/10 calculation as an opportunity to assist the Congress in monitoring proprietary schools to ensure that the fraud and abuse of the federal student aid program that originally motivated the rule does not reoccur.

Transfer of credit

An increasing percentage of the student population will change institutions at least once prior to graduation according to a 2005 National Center for Education Statistics (NCES) study of bachelor's degree recipients in 1999–2000. With over half of the student population seeking information on transfer policies, the Committee believes it is vital that institutions provide students with clear, useful information explaining their policies related to college credit mobility.

Accordingly, H.R. 4137 requires institutions to develop an understandable transfer of credit policy. The policy must include, at a minimum, any established criteria that an institution uses regarding the transfer of credit earned at another institution. The Committee believes that students need to be given specific information about not only what coursework may transfer, but also how the

credits may be applied to the student's graduation requirements. Therefore, the Committee strongly encourages institutions to include within the transfer of credit policy any limit on the total number of credits that are able to transfer to that institution and any limit on the number of credits that will transfer to a particular major.

In addition, H.R. 4137 requires institutions to include a list of the institutions with which they have established articulation agreements within the transfer of credit policy. According to the Congressional Research Service, every state in the union has some form of arrangement relating to articulation agreements among institutions of higher education. Thirty-six of the states actually passed legislation enacting their agreements. The Committee applauds the efforts of the states in working to develop these agreements. At the same time, the Committee encourages states and institutions of all types to work together and across state lines to provide flexibility to students that wish to transfer institutions.

Advisory Committee on Student Financial Assistance

The Advisory Committee on Student Financial Assistance (ACSFA) was established in 1986 with the goal of providing extensive knowledge and understanding of federal, state, and institutional programs of postsecondary student assistance; providing technical expertise with regard to systems of need analysis and application forms; and making recommendations that will result in the maintenance of access to postsecondary education for low- and middle income students. The Committee appreciates the services provided by ACSFA over the past 20 years, however the services provided by ACSFA have become duplicative of those services provided by other entities including the Congressional Research Service (CRS), the Government Accountability Office (GAO), and other private non-profit entities.

The Committee believes that the Advisory Committee on Student Financial Assistance should not begin any new work, and aim to complete ongoing projects prior to the expiration of its authorization in 2011. The Committee further believes that the annual appropriation should be reduced to only the amount necessary to complete ongoing work and use such savings for the oversight and implementation of the new consumer protection requirements for lenders and institutions in title I of the Higher Education Act of 1965 (as amended by H.R. 4137).

Preventing theft of intellectual property on college campuses

College students often use their campus internet networks to download and share music, movies, and television programs. When they do it without the permission of the owner of the content, it is theft. This illegal file-sharing has exploded in recent years, and too much of it occurs on college campuses.

Film, television, and music production companies invest their money and talent in creating entertainment products to generate revenues. Intellectual property theft has caused significant revenue losses within these industries—hurting jobs and workers' benefits.

The challenge of addressing this issue was discussed at a Subcommittee on 21st Century Competitiveness hearing in the 109th Congress on September 26, 2006. The hearing highlighted not only

the problem on campuses but also the best practices that some institutions are utilizing. Cheryl Elzy, Dean of University Libraries and a federal copyright agent at Illinois State University, shared with the Committee that her school not only is seeking to slow piracy through technology—but changing behavior as well:

> Illegal downloading of music, videos, movies, and games is a symptom. It is not the problem, nor is technology the answer. The problem is changing behavior, almost changing a culture. To that end, Illinois State can have a significant impact on peer-to-peer behaviors in another, more important way. Our teacher education graduates number in the top five in the nation. Almost 1,000 new teachers walk out our doors each year, and each teacher will influence the lives of at least 20–30 children each year. If our graduates can learn good Digital Citizen behaviors while on campus, they will imprint that ethical and legal perspective on perhaps 20,000 children annually.

To assist institutions like Illinois State University in their efforts, the Committee includes language to provide grants to offer alternatives to illegal downloading and for those that want to explore innovative ways of stopping illegal downloading. Additionally, the Committee includes language that requires colleges and universities to: inform their students about the law and about campus policies on copyright infringement and illegal downloading; report their campus policies and their procedures for addressing violations; and to the extent practicable, develop a plan to deter illegal downloading and offer alternatives to it.

The Committee notes that a number of misperceptions are being discussed in public forums regarding these provisions. Of significant importance to note is that no financial aid shall be taken away from colleges and students who engage in illegal file sharing. Additionally, the Committee wishes to clarify that the bill does not mandate the use of any particular alternative plan by colleges. Colleges and universities are simply required to report their campus policies on intellectual property theft, including their penalties, and to develop plans for addressing illegal file-sharing. Additionally, the Committee does not intend that such plans be submitted to the Secretary but does expect institutions to develop such plans, which may include plans already in existence or adopted by institutions. Further, the Committee expects the Secretary to closely monitor the implementation of this requirement.

Part H—Program integrity

Accreditation

The new language requiring accrediting agencies or associations to apply and enforce their standards in a manner that respects the missions of institutions of higher education, including religious missions, reflects Congress' belief that accredited institutions should be allowed to choose their own missions rather than having them imposed or regulated by accrediting bodies. In response to concerns raised by Representatives Robert C. Scott (D–VA) and Ruben Hinojosa (D–TX) about whether the amendment would harm the ability of accreditors to enforce nondiscrimination provisions, the author of the amendment, Representative Timothy

Walberg (R–MI), explained that the provision would not affect nondiscrimination provisions and instead would require accreditors to respect the missions of schools, including when the missions are religious.

It is the intent of the Committee that this amendment does not change or alter current accreditation requirements, and the exemptions included in those requirements (such as those allowed by the American Bar Association and the American Psychological Association), for the enforcement of nondiscrimination provisions. The Committee also notes that this provision does not alter title VII of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972 or other federal antidiscrimination statutes, which remain applicable to institutions of higher education to the same extent as before. The Department of Education shall not promulgate any regulations that provide any new exceptions to current nondiscrimination provisions.

It is also the intent of the Committee that this amendment does not change or alter current accreditation requirements, and the exemptions included in those requirements, for training professionals in the practice of medicine and other health care professions.

Additionally, the Committee accepted an amendment by Representative Robert Andrews (D–NJ) to strike language in the base bill and return to current law with respect to student learning outcomes, rather than allowing institutions of higher education to set the standards for student learning outcomes, as well as allowing institutions to measure themselves on the progress they have made in meeting those standards. The Committee intends to review this issue, taking into consideration the base bill, current law and other proposals for floor consideration of H.R. 4137.

Auction Evaluation

The College Cost Reduction and Access Act (PL 110–84) included a new loan auction pilot program for Parent PLUS loans. The Committee is interested in closely monitoring the loan auction program to ensure that it is effectively serving families and students in their pursuit of financing their higher education. To that end, the Committee includes language to require the Secretary of Education and the Secretary of the Treasury to jointly evaluate the loan auction program in consultation with the Office of Management and Budget, the Congressional Budget Office, and the Comptroller General.

Of significant interest to the Committee is the extent of the savings generated through the pilot program compared to the cost the federal government would have incurred in operating the parent loan program under section 428B of the Higher Education Act of 1965 in the absence of the pilot program; the number of lenders that participate in the pilot program over time, and the extent to which the pilot program generates competition among lenders; the number and volume of loans made under the pilot in each state; the effect of the transition to and operation of the pilot program on the ability of lenders participating in the pilot program to originate loans efficiently; the ability of institutions of higher education participating in the pilot program to disburse loans efficiently through the program; the ability of parents to obtain loans made through the pilot program in a timely and efficient manner; the differential impact, if any, of the auction among the states, including between

rural and non-rural states; the feasibility of using the mechanism piloted to operate the other programs under Part B of title IV of the Higher Education Act; and the feasibility of using other market mechanisms to operate the loan programs under part B of title IV of the Higher Education Act, including the sale of securities backed by federally-owned student loan assets originated by banks acting as agents of the federal government.

In the interest of ensuring the program is operating to the benefit of students and families, the Committee requires the Secretary of Education and the Secretary of the Treasury to submit to the Committee a preliminary report by September 1, 2010, an interim report by September 1, 2012, and a final report by September 1, 2013. It is the Committee's intent to closely monitor the auction and use opportunities in the future to hold oversight hearings, if necessary, to ensure proper implementation and availability of options to the consumer.

TITLE V—DEVELOPING INSTITUTIONS

Hispanic-Serving Institutions (HSIs) play an important role in American higher education, particularly in their capacity to provide college access to underrepresented populations, and populations of students with limited financial means. The National Center for Education Statistics recently reported that despite representing only 9 percent of all institutions of higher education, Hispanic-Serving Institutions enrolled over 50 percent of all Hispanic students in postsecondary education and 27 percent of all minority students enrolled in postsecondary education. HSIs receive federal funding under title V of the Higher Education Act to offer and increase the number of educational opportunities available to Hispanic and low-income students.

The Committee believes that increasing the number of Hispanic students in graduate education is imperative to business, industry, medicine and education. During the May 2, 2005 field hearing held by the Subcommittee on 21st Century Competitiveness entitled, "Expanding Opportunities for Graduate Study at Hispanic Serving Institutions," Dr. Blandina Cardenas, President of the University of Texas—Pan American argued that:

> The students with master's degrees will be required to lead a diverse workforce and create new products and product delivery systems for a diverse national market and for competitiveness in the global market. Hispanics with doctoral degrees must be available in sufficient numbers to serve the teaching and research needs of our colleges and universities and research organizations in the private and public sector. I believe that Hispanics with post-baccalaureate preparation will bring significant added value to the creative and problem-solving enterprise—not in spite of the less privileged backgrounds, but because of it.

Hispanics still lag well behind other groups in college-going rates, retention and graduation rates and participation in graduate education. In 2003, data from the Department of Education show that 34 percent of non-Hispanic, white students over the age of 25 had completed four or more years of college, compared with 17.3

percent for non-Hispanic, African American students and 11.4 percent for Hispanic students.

In 2005, Hispanic students received 5 percent of all masters degrees awarded in the U.S., compared to 66 percent for white students and 9 percent for African American students. In 2004, the percentage of Hispanic students receiving doctoral degrees was three percent, compared to 58 percent for white students and 6 percent for African American students. The Committee believes these data illustrate the necessity of expanding graduate opportunities for Hispanic students and providing resources to the institutions that serve the majority of Hispanic students desiring a graduate degree.

TITLE VI—INTERNATIONAL EDUCATION

In order to continue the nation's established leadership role in international affairs and the global economy, the need for students to become knowledgeable about international issues, other cultures, and foreign languages has become increasingly important. International education programs at the postsecondary level play a critical role in building and maintaining the nation's ability to supply expertise in foreign language, area and other international studies, including international business. America's interests and national security are inextricably tied to our knowledge and understanding of the rest of the world.

Programs authorized under title VI of the Higher Education Act reflect the priority placed by the federal government on diplomacy, national security, and trade competitiveness by allowing for the study of international issues and cultures, as well as foreign languages at the postsecondary education level. Title VI builds an infrastructure to improve and maintain the nation's education capabilities in this regard, from outreach to K–12 through education at all postsecondary levels and advanced research, with emphasis on the less commonly-taught languages and areas of the world. Centers, programs and fellowships authorized under title VI serve the nation's national security interests in at least three ways: they produce new cadres of experts trained in foreign languages; they educate citizens about other cultures, international issues and foreign languages; and they provide a cumulative body of knowledge and research about such areas of study that provide expertise for government agencies, as well as for education, business and the non-profit sectors.

Programs under title VI were established over forty years ago to address these objectives and have been reformed and reauthorized to better reflect the current international climate. The bill updates the findings and purposes of the programs under title VI to reflect the updated needs of our country, including increased Department of Education coordination with other federal agencies.

Coordination with elementary and secondary schools

The knowledge of our nation's K–12 students about geography and international affairs has been documented to be below par compared to students in other industrialized countries. The Committee believes it is in the best interest of our nation to use the early years of a student's education as an opportunity to instill an interest in foreign languages and world affairs.

Understanding the critical role of teacher preparation programs in this regard, H.R. 4137 includes language to ensure that colleges of education and teacher professional development programs can be included as partners in outreach grants and summer institute programs under title VI. By authorizing the Secretary to make grants to outreach and summer institute programs that involve partnerships with local educational agencies and public and private elementary and secondary schools, the Committee intends to enhance student academic achievement in foreign languages and knowledge of world regions.

Additionally, by authorizing title VI centers and programs to widely disseminate materials for courses and materials for elementary and secondary schools, the Committee intends to promote and enhance international knowledge at all stages and levels of education.

Foreign language studies

According to the National Research Council, a pervasive lack of knowledge by individuals in this country about foreign cultures and languages threatens the security of the United States, as well as its ability to compete in the global marketplace and produce an informed citizenry. The latest title VI-funded Modern Language Association survey of postsecondary foreign language enrollments indicates that although foreign language enrollments have increased significantly this decade, particularly in the less commonly taught languages, overall relative student enrollment is still below the 1965 level. At the K–12 level, data from the Department of Education indicate that only 44 percent of American high school students are enrolled in foreign language classes, and only 31 percent of American elementary schools even offer foreign languages. The National Research Council concluded that early language learning in elementary and secondary school is key to establishing a pipeline of students who can eventually reach a sufficient level of proficiency in foreign language and culture to meet national needs.

H.R. 4137 therefore reinstates the eligibility of Foreign Language and Area Studies fellowships for undergraduates to encourage a concentration on foreign language and area studies earlier in students' postsecondary experiences. In addition, the title VI undergraduate international and foreign language studies program is amended to allow up to 10 percent of a grant to be used for undergraduate study abroad to promote foreign language fluency and knowledge of world regions. The Committee urges the Secretary to encourage the development of programs that stress the teaching of foreign languages for practical and professional use, including programs that promote foreign language education across the undergraduate curriculum. Further, the Committee includes language to require the Secretary to develop a marketing campaign aimed at encouraging the study of foreign languages.

Additionally, the Committee recognizes that students, who study abroad for the enhancement of foreign language knowledge and proficiency, as well as the study of world regions, may travel to areas or regions in conflict or unrest. The Committee encourages institutions of higher education to take into consideration safety policies and procedures for students participating in any study abroad program funded under title VI.

International business education

The Committee believes that international business education programs reauthorized by H.R. 4137 under title VI of the Higher Education Act play a unique and important role in our overall international education efforts. These programs have proven to be an integral part of many postsecondary institutions' efforts to develop international education initiatives. There are currently 31 Centers for International Business Education & Research (CIBERs), authorized under title VI that aim to expand the sphere of teaching, research, and outreach undertaken on their campuses and in their communities in the area of international business development. Each of the CIBER centers has at its core the goal of increasing international competitiveness, business language acumen, global trade expertise, and area studies competency. Programs are intended for undergraduate, graduate and Ph.D. students within colleges of business as well as elsewhere on campus; to faculty from throughout the university and to other institutions of higher education; and to executives and professionals within business communities. The Committee additionally includes language to encourage cooperation in the areas of software development with Asian countries, including Taiwan.

Science and technology advanced foreign language education grant program

One of the serious challenges facing our nation today is the absence of individuals who are fluent in a foreign language and have a background in science and technology. There are few Americans who can understand technical documents—including research studies or scientific papers—that are written in foreign languages. The Committee believes that, if our country is to stay competitive with the emerging economies in Asia, Central and South America, and Africa, this must change. To meet this goal, the Committee includes language to support programs with curricula that combine studying science and technology in a foreign language. This language specifically provides for grants to institutions to create immersion programs where students take science or technology-related course work taught completely in foreign languages.

The Committee believes that in order to stay current with innovations in science, mathematics, and technology, more professionals in these fields will also have to be proficient in a foreign language. It is only with the knowledge of technical terms in foreign language classes—words and phrases not taught in the average high school or college language class—that America can stay technologically and economically competitive.

Reporting requirements of Title VI grantees

The Committee includes language in the bill to require institutions of higher education that are title VI recipients to report gifts received by the institution that are intended for use directly or indirectly by a title VI center or program. Institutions of higher education with title VI grants also receive donations from the private sector, both of which contribute to the programs' ability to function. Publicly-reported data on sources of private contributions that are combined with public dollars will create a more open process and

enable taxpayers to better monitor government spending without creating any new bureaucracy.

TITLE VII—TITLE VII AMENDMENTS

It is becoming more critical to obtain an advanced education in order to remain a technologically advanced economy and retain our international competitiveness in critical fields, including science, technology, engineering, and mathematics. Furthermore, our nation is facing shortages in key areas, including nursing.

Graduate Assistance in Areas of National Need (GAANN)

Graduate programs, while important for their role in higher education, also play an essential, yet often overlooked role in K–12 education. For example, graduate programs provide the education and training necessary for individuals to become faculty at institutions of higher education who, in turn, train the elementary and secondary teachers of tomorrow. In order to ensure the nation's children receive the best education possible, the Committee includes language to ensure that the faculties in our teacher colleges are prepared to meet this challenge.

To achieve improved training of teachers, H.R. 4137 requires that the Secretary establish a competitive priority for grants under the GAANN program in order to prepare individuals for the professoriate who are committed to training highly qualified elementary and secondary school teachers of mathematics and science. The Committee encourages the Secretary to provide priority to departments that engage in such activities, and encourages the Secretary to include departments of mathematics and sciences, as well as departments of engineering, as departments that may provide such activities.

Further, H.R. 4137 requires the Secretary to establish a competitive priority for grants under the GAANN program in order to prepare individuals for the professoriate who are committed to training highly-qualified elementary and secondary school teachers who can effectively teach students with disabilities or students with limited English proficiency. The critical shortage of special education faculty in higher education is a major factor in the shortage of K–12 special education teachers. In the last two decades the number of special education doctorates has decreased by 30 percent. In 2006, only 205 people received doctorates in special education. Every year, 30 percent of faculty vacancies go unfilled. The special education faculty shortage also curtails the capacity of higher education to prepare general education teachers who are skilled in working with special education students. This priority will help to increase the capacity of higher education to prepare highly-qualified general and special education teachers, as well as teachers prepared to teach students with limited English proficiency.

Language included in the bill offers GAANN awards to students who are studying in areas that have current and future professional workforce needs. The Committee expects that nursing and nurse faculty will be included in this category. Results from the most recent National Sample Survey of Registered Nurses conducted by the Health Resources and Services Administration show that only 13 percent of RNs hold a master's or doctoral degree. According to American Association of Colleges of Nursing, graduation

rates from research-focused doctoral nursing programs increased by only 1.4 percent, or six graduates, between the 2005–2006 and 2006–2007 academic years.

Patsy T. Mink Fellowship Program

Patsy T. Mink Fellowships will help address the shortage of minority and women collegiate faculty. Currently, minorities make up less than 20 percent of all collegiate faculty. Further, although women make up 39 percent of full-time collegiate faculty, they tend to be concentrated in less-senior instructional positions and at two-year institutions, as opposed to research universities. This program will authorize fellowships for doctoral and terminal master's degree study for students interested in obtaining a doctorate, or other terminal degree, with a specified service requirement to teach at degree-granting institutions of higher education after graduation. Appropriately named in honor of former Congresswoman Patsy Mink (D-HI), a primary force behind the passage of title IX, the fellowships would be targeted at minorities and women to help diversify the higher education professoriate.

Fund for the Improvement of Postsecondary Education (FIPSE)

Recognizing the growing needs of postsecondary education, H.R. 4137 makes a number of changes to the Fund for the Improvement of Postsecondary Education (FIPSE). It is the intention of the Committee that the projects and programs funded under this section not only aid the funded institution of higher education, but that these programs will serve as models and best practices in order to improve the access and affordability for students at all institutions of higher education.

The Committee recognizes the great service of our nation's veterans and their families. For that reason, in H.R. 4137, new authority is provided to help provide a scholarship program for veteran students and their families. The Committee particularly recognizes the work of Thanks USA, a non-profit organization already providing this service.

In response to the numerous institutions of higher education that are establishing programs to collaborate with private and civic organizations to resolve pressing and severe community problems, FIPSE includes a new "national need" designation that permits grantees to use funds to support the development of coordinated curriculum and internship opportunities for students in disadvantaged communities. The Committee understands that some universities, such as the Shepherd Program at Washington and Lee University, are working to coordinate and expand programs to study poverty and its impact on communities. The Committee encourages the Department to identify other such programs for the purposes of awarding funds in order to assist disadvantaged communities in meeting this important national need.

In 2000, Congress unanimously passed a concurrent resolution (S. Con. Res. 129) stating, in part, that "the historical illiteracy of America's college and university graduates is a serious problem—reflecting a failure to impart to students a basic understanding of the history, ideals, documents and institutions that have formed the nation." In response to this concern, H.R. 4137 includes an important amendment to the FIPSE program. Specifically, language

was added identifying the expansion of academic programs focused on traditional American history as an area of "national need." It is the intent of the Committee that this authority be used for reinvigorating majors and graduate programs in these fields, thus creating a new pipeline for producing the scholars and teachers needed to staff these fields at the graduate and undergraduate levels and in teacher training programs.

During this reauthorization, the Committee feels strongly that the importance of graduate education overall should not be overlooked. Dr. Earl Lewis, Dean of the Rackham Graduate School, Vice Provost for Academic Affairs for Graduate Studies, and Professor of History at the University of Michigan expressed his support for graduate education programs before the Subcommittee on Select Education in 2003:

> Graduate education prepares the scientists and engineers needed by industry, government, and universities to conduct the nation's research and development. Graduate programs also educate the scholars in the humanities, social sciences, and the arts who preserve and enlarge our understanding of the history and scope of human thought and the human condition, and transmit that knowledge to succeeding generations. Moreover, graduate programs at our nation's universities generate new knowledge and act as incubators of innovative ideas that drive new technologies and create new ways to address societal, health, security, and economic needs and challenges.

As Congress continues its work on the reauthorization of the Higher Education Act, it must continue to build on the demonstrated success of these valuable graduate programs. These programs, and the amendments made within H.R. 4137, will prepare the next generation of scientists, scholars and teachers and ensure the support and effectiveness of these programs.

Urban-serving research institutions

Our nation's cities play an important role in America's national prosperity, driving innovation and economic growth by employing many highly-skilled workers and containing clusters of related firms and industries. However, urban areas face many challenges unique to cities. Urban secondary schools experience a higher dropout rate than the national average and urban elementary and secondary students typically score below state and national averages on academic performance exams. Urban schools often encounter teacher shortages in high need subject areas such as mathematics and science. Particular neighborhoods are stricken with poverty and struggle to attract businesses and services. A greater percentage of their citizens are uninsured or underinsured.

As anchors for our nation's cities, urban research universities are uniquely positioned with a broad range of skills and resources—intellectual, human, technological, and social to engage in these urban challenges. Serving as an essential part of the education pipeline by enrolling large numbers of students from local school districts and specifically training them to be educators in urban areas, urban research universities are economic drivers, as they serve as prominent employers, real estate developers, and business

innovators in their cities. The community engagement by urban research universities not only provides a valuable service to the cities, but also enables these institutions to improve their own core knowledge and expertise that leads to further theories, discoveries, and advances for our nation.

H.R. 4137 updates the Urban Community Service program to authorize competitive grants for urban research universities to expand their capacity to develop initiatives geared toward improving the communities in which they are located. This updated program will help to address the unique challenges of our nation's urban communities by: enhancing teacher quality and college and workforce readiness (especially in the fields of science, technology, engineering, and mathematics); revitalizing the economies of local neighborhoods; and reducing the incidences of urban chronic diseases and health disparities. The Committee believes that supporting urban institutions of higher education in research and programmatic initiatives will help to address these challenges, bolster our nation's economic competitiveness, and make our cities better places to live.

Expanding access for students with disabilities

The Committee believes that it is important to examine postsecondary educational opportunities for students with disabilities and encourage improved enrollment, retention and completion rates for these students. Data reveal that there are low numbers of students with disabilities succeeding in college; only 12 percent of individuals with disabilities have graduated from college (as compared to 27 percent of non-disabled individuals). The number of individuals with disabilities in the workforce is also of great concern to the Committee; according to the 2005 Annual Disability Status Report, the employment rate of working-age people with disabilities was 37.9 percent compared to 77.6 percent for working-age people without disabilities. To address the need for improved education and employment outcomes for individuals with disabilities, the bill establishes a National Center for Information and Technological Support for postsecondary students with disabilities. The Center will support the dissemination of best practices, provide information to students and families on higher education opportunities for students with disabilities, and review and report on the current condition of postsecondary success for these students.

Additionally, the Committee also provides for a study by the GAO on barriers and opportunities in higher education for students with disabilities to inform future efforts to address the unique challenges students with disabilities in higher education face.

The Committee also expands the allowable activities of the Projects to Ensure Students with Disabilities Receive a Quality Higher Education, including development and dissemination of strategies for successful transition to the post-secondary education environment from high school; development of accessible distance learning efforts; and improvements in curriculum development including an emphasis on universal design for learning, and accessible instructional materials. H.R. 4137 requires the Secretary of Education to review and disseminate a report of the program activities funded under this section to provide guidance and rec-

ommendations to all institutions of higher education on how successful programs can be replicated.

Students with intellectual disabilities

The Committee recognizes that students with intellectual disabilities often face tremendous barriers to participation in higher education, including difficulties in enrolling in postsecondary programs prepared to meet their unique support needs. Despite these challenges, the number of students with intellectual disabilities who are seeking to enroll in postsecondary programs is increasing, and there is a need to expand the number of college- and university-based programs prepared to teach and support this population of students. Currently, only about 100 programs are available for students with significant cognitive disabilities across the country. A number of institutions have expressed an interest in developing such initiatives, but require appropriate financial and technical support to do so.

Accordingly, the Committee has authorized the Secretary to award grants to institutions of higher education to create and expand high-quality, comprehensive transition and postsecondary programs for students with intellectual disabilities. It is the intent of the Committee that such programs provide individual supports and services for the academic and social inclusion of students in all aspects of campus life, and focus on academic enrichment, socialization, independent living skills, and integrated work experiences and career skills that lead to gainful employment. The Committee also authorizes the establishment of a coordinating center that will help institutions of higher education improve existing programs for students with intellectual disabilities, facilitate the development of new programs, and ensure that all such programs are high-quality.

The Committee believes these measures will result in increasing numbers of students with intellectual disabilities succeeding in higher education, as well as an increase in the number of students with intellectual disabilities participating in the workforce.

Accessibility of instructional materials

The Committee recognizes that a key component of equal access to higher education for students with disabilities is timely access to instructional materials in accessible formats. The Committee also acknowledges that within the higher education system, the needs of students, institutions, publishers, and providers of materials in specialized formats are different than those in the elementary and secondary education system. In order to improve the delivery and the quality of postsecondary materials to students, the Committee directs the Secretary of Education to establish an advisory commission to study the barriers, systemic issues and technical solutions available to improve the efficiency, delivery, and quality of such materials. The Advisory Commission on Accessible Instructional Materials in Postsecondary Education for Students with Disabilities will consist of a broad cross-section of stakeholders, including strong consumer representation, will review existing systems as well as emerging technologies, and will report their findings and recommendations to the Secretary and Congress not later than twenty-four months after their first meeting.

The Committee acknowledges that in the absence of a coordinated national system to facilitate the provision of accessible instructional materials to postsecondary students with disabilities, some institutions of higher education and consortia of institutions have considered or implemented local, state and regional approaches. To encourage the further development of such systems, the Committee authorizes grants for model demonstration programs to be awarded to partnerships that include colleges and/or universities and entities with demonstrated experience in the creation of accessible instructional materials, which may include publishers. These programs will support the development and implementation of activities throughout the process, including the identification of students in need of specialized materials, systems for requesting materials, acquiring materials in a timely manner, procedures to protect against copyright infringement, and outreach and training for students, faculty and staff. Should the model programs prove effective in improving such systems, the Committee authorizes the Secretary to expand the model program.

It is the Committee's hope that the advisory commission and the model demonstration projects will lead to comprehensive improvements in the timely delivery of quality accessible instructional materials for students with disabilities.

Nursing education

The Committee recognizes that our nation continues to face a nursing shortage unprecedented in its depth and duration. Unfortunately, this crisis is expected to worsen in the coming years, as the Health Resources and Services Administration (HRSA) projects that the nation's nursing shortage will grow to more than one million nurses by the year 2020.

Constraints in our nation's nursing education system are inhibiting the ability to increase the number of practicing nurses to the levels needed to end the shortage. According to the American Association of Colleges of Nursing's 2006–2007 annual survey, schools of nursing turned away 42,866 qualified applications to baccalaureate and graduate programs due to an insufficient number of faculty, admission seats, clinical sites, classroom space, clinical preceptors, and budget constraints.

The Committee believes that the nursing program included in the bill will dramatically help our nursing education system prepare the next generation of nurses by supporting the faculty who prepare and teach them.

As a companion to this program, the Committee also includes capitation grants which have historical legislative roots in Congress. From 1971 to 1978, Congress provided Capitation Grants to schools of nursing in support of nursing education. The March 2002 HRSA Tenth Report to Congress on Health Personnel in the United States recommended Capitation Grants funding as a strategy to expand the nursing workforce pipeline. The Committee believes that Capitation Grants are a feasible solution based on historical success to help address the national nursing and nurse faculty shortage.

The Committee also includes language for demonstration grants to develop partnerships between health care institutions and accredited schools of nursing, allowing them to retain their cadre of

qualified nurses while providing a mechanism for these individuals to become faculty through graduate nursing programs. Without additional nurse faculty to teach new nurses, the nursing shortage will continue and further jeopardize the safety and quality of health care provided to our nation.

The provisions in title VII are supported by other titles, including language in title IV, providing loan forgiveness for nurses that agree to work full-time in a clinical setting or as a faculty member of an accredited nursing school. Budget constraints, an aging faculty, and increasing job competition have contributed to a significant shortage of nursing faculty. Loan forgiveness will provide needed relief and an additional incentive to enter into and remain in the profession.

TITLE VIII—ADDITIONAL PROGRAMS

Incentives and rewards for low tuition

Obtaining a college degree is the cornerstone of the American dream. However, the unfortunate reality is that paying for a college education has been and continues to be an exceedingly difficult proposition in this country. In the past year alone, tuition has increased an average of 6.6 percent at four-year public institutions, 6.3 percent at four-year private institutions, and 4.2 percent at two-year public institutions. These increases have a real impact and result in lost opportunities for students all over this country.

Every year, according to the Advisory Committee on Student Financial Assistance, some 200,000 students do not go to college in America solely because they are unable to pay for it. Meanwhile, nearly two-thirds of students who enroll in four-year colleges borrow to pay for it. The typical student now graduates with $17,500 in total federal student loan debt—a figure amounting to nearly 45 percent more debt than just eleven years ago.

This debt appears to be having a profound effect on the lives and choices of borrowers. For instance, one report by U.S. PIRG noted that student loan debt caused 14 percent of young graduates to delay marriage; 30 percent to hold off on buying a car; 21 percent to postpone having children; and 38 percent to delay buying a home. High debt payments may also force graduates to change professions or only seek jobs in a certain salary range.

The Committee believes that the funds authorized in this part will encourage institutions of higher education to contain growing costs by rewarding low tuitions, encouraging the use of innovative cost strategies, and rewarding institutions where it matters most, by providing increased need-based aid to students.

Cooperative education

The purpose of cooperative education is to give college students work experience related to their academic objectives while helping them earn money to pay for college. Until 1995, cooperative education served as title VIII of the Higher Education Act. During this time, it provided $20 million dollars to over 1,000 schools to help establish cooperative education programs. These programs helped over 250,000 students gain both work experience and money for college.

With the typical student borrower now graduating with $17,500 in debt and many more working long hours in order to pay for college, the Committee believes that cooperative education provides an alternative for students who want to earn extra money and parlay their education into successful employment.

Student Success Grants

Student Success Grants will address the investment in college access to success by providing students with resources to adjust to college, develop plans for success, and graduate on time. Grants will go to colleges and universities where 50 percent or more of the student population tests into remedial education. Eligible institutions will receive a $1,500 grant for every Pell recipient to establish a network of intensive support services that will ensure students stay in school and complete coursework. Activities may include intensive counseling by Student Success Coordinators, college and career success courses, blended or accelerated remediation classes, work-study jobs with private employers, instructional support, or learning communities that cluster students for the first two courses of college. The Committee intends Student Success Grants to empower institutions of higher education to identify the most effective policies and practices for helping at-risk students earn postsecondary degrees. Further, the Committee intends for the grants awarded to focus on the students who need assistance the most and will provide policymakers with research to strike an effective balance between access and success.

Jobs to careers

In order to increase the number of individuals completing occupational credentials individuals who will help ensure our workforce remains competitive and be able to earn family-supporting wages—our colleges must increase the number of students who transition successfully from developmental to for-credit occupational courses. According to the National Center for Educational Statistics, about 28 percent of all undergraduates, and 42 percent of those at two-year public colleges, participate in remedial coursework to improve their reading, writing, and math skills. As high as these numbers are, they are just "snapshots" of developmental education enrollments at a single point in time. Longitudinal research reveals that they underestimate the true extent of remediation needs. Research that tracked a cohort of first-time community college students through their twenties found that ultimately over 61 percent enrolled in at least one remedial course.[12] Lengthy participation in remediation poses a number of problems. Just 30 percent of first-time undergraduates enrolling in remedial reading courses completed a certificate or degree within eight years of leaving high school, compared with 69 percent of those not needing any remediation.[13] For working adults who need to complete coursework quickly because of competing family and work demands, developmental education can take too long and seem disconnected from their career goals.

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[12] Adelman, C. Principal Indicators of Student Academic Histories in Postsecondary Education, 1972–2000. U.S. Department of Education, Institute of Education Sciences. 2004.

[13] U.S. Department of Education. "The Condition of Education, 2004." Indicator 18. *http://nces.ed.gov/programs/coe/2004/section3/indicator18.asp*

The Committee intends these grants to help students persist and earn credentials. Specifically, H.R. 4137 provides authorization for grants to institutions serving especially high numbers of students needing developmental education for purposes of creating bridge programs that customize developmental education curricula, including English language instruction where applicable, to the content of the certificate or degree programs or clusters of programs in which developmental education students seek to enroll. In addition, the grants will provide funding to colleges interested in implementing best practice innovations in developmental education, such as implementing cohorts and learning communities and developing accelerated developmental coursework.

Project GRAD

The Committee recognizes the importance of programs like Project GRAD, a national nonprofit education reform model that currently serves 121,000 economically disadvantaged youth in 211 schools across the nation. Project GRAD uses a feeder pattern, providing students a consistent set of academic programming from Pre-K through grade 12 so high schools are receiving well trained elementary and middle school students. H.R. 4137 authorizes the Secretary to award grants for such activities.

Project GRAD has a proven track record nationwide in increasing high school graduation and college attendance rates for low-income students. Project GRAD schools outperform comparison schools on nationally-normed achievement tests, and Project GRAD students are significantly more college ready than their peers. In the longest-served group of schools, Project GRAD students are completing college at a rate 70 percent above the national average for students from similar low-income backgrounds. Project GRAD has made college scholarships available to over 6,000 students and has an additional 15,700 high school students in the scholarship pipeline, making it one of the country's largest college access organizations for low-income students.

Diploma mills

Diploma mills have proliferated in recent decades due to inconsistent law enforcement and technological advances. Diploma mills take many different forms, but often share common characteristics, including the lack of accreditation or false claims of accreditation; no previous academic records required for admission; charging tuition based on the number of degrees purchased rather than the number of credit hours or courses taken; lack of a physical permanent address in the United States; and names that are very similar to legitimate accredited institutions of higher education. It is estimated that several hundred diploma mills are operating at any given time, with revenues estimated to total more than $500 million each year.

In 2004, a GAO investigation revealed weaknesses in the Department of Education's administration of the student loan programs for higher education, including the possibility that a diploma mill could participate in the Federal Family Education Loan Program (FFELP) under title IV of the Higher Education Act of 1965.

In addition, the 2004 GAO investigation examined the credentials of a sampling of federal employees, and revealed that, of the

federal employees selected for the examination, 463 federal employees held degrees from diploma mills and other unaccredited universities, including twelve employees for the Department of Homeland Security, 13 for the Department of Justice, and twenty-nine for the United States Postal Service. The investigation also found that federal agencies have paid more than $150,000 in tuition payments to diploma mills and other unaccredited universities on behalf of federal employees.

The Committee recognizes that the vast majority of regulation of education in the United States is, in general, a state responsibility, and the development and regulation of academic standards in higher education is the responsibility of institutions of higher education. Through H.R. 4137, the Committee recommends the adoption of uniform standards to determine, for federal purposes, the legitimacy of degrees, diplomas, certificates, and degree-granting institutions.

Student safety and campus emergency management

The Committee recognizes the need for parents and students to feel as safe as possible when attending institutions of higher education. Recent events such as the campus shootings at Virginia Tech and Hurricanes Katrina and Rita highlight the critical role colleges and universities have in protecting students from safety and security risks. The Committee believes the federal government has an interest in providing support and guidance to schools in efforts to keep students safe and prevent future tragedies. Time is of the essence during an emergency, as Virginia Tech tragically pointed out, and the bill improves current law by adding an emergency notification system for the college community with specific requirements. The Committee believes it is the federal government's role, in partnership with states, local communities, and institutions of higher education, to support prevention of future tragedies. To that end, H.R. 4137 authorizes a new grant program for institutions of higher education to develop and improve their campus safety and emergency response systems. Grant funds may be used to develop and implement emergency communications systems, for security assessments, for training of security personnel, and to coordinate mental health crisis response and intervention services for students enrolled in the institution of higher education affected by a campus or community emergency. The bill also requires institutions of higher education annually to publish a fire safety report on on-campus student housing, and to submit such information to the Secretary on an annual basis.

Education Disaster and Emergency Relief Loan Program

In 2005, Hurricanes Katrina and Rita had a devastating effect on the universities and colleges located in the Gulf region, displacing 83,821 students and causing, for the first time in history, the closure of the eleven colleges and universities in New Orleans for a full semester and ten more in other parts of Louisiana, Mississippi, Texas and Florida for an extended period of time. Damages and property losses to New Orleans area institutions alone exceeded $1 billion and nearly $2 billion in total damages to colleges and universities across the Gulf Coast region.

Understanding their essential role in the sustainability of their surrounding communities, the affected schools in the Gulf Coast acted quickly to rebuild their campuses in order to maintain their educational purpose. Many schools found challenges in rebuilding due to insurance company policies that did not give schools upfront financial assistance for repairs. Some of the schools with few accessible funds were forced to make a few repairs, and then wait for reimbursement before additional repairs could be made. In addition to wasting significant time, these schools also suffered because they were unable to save money by contracting for the total renovations, and instead had to pay more for sequential smaller jobs. Other schools obtained loans from private lenders, with high interest rates, in order to make the repairs.

It is the intent of the Committee that the loan program created under H.R. 4137 should provide low interest loans to schools that have suffered a loss as a result of a federally declared major disaster or emergency, so that they can pay for repairs efficiently. Further, the Secretary should make loans at the lowest interest rates possible, and funds from this program should also be used to assist institutions affected by the Gulf Coast hurricanes in 2005.

The intent of this Education Disaster Loan program is not to replace FEMA assistance or insurance recovery efforts; rather it is to provide a bridge loan for institutions of higher education immediately following a disaster. This loan will assist greatly in economic recovery, faculty and staff assistance as well as construction recovery that is not duplicated by FEMA or insurance coverage.

The Committee hopes that should institutions of higher education have to endure disaster recovery efforts, such as the Gulf Coast institutions, that this loan program will be in place and will shorten the recovery time not only for the higher education institution(s), but for that of the whole community. It is assumed that funds for such loans would best be appropriated from Emergency Supplemental funds following a federal disaster declaration.

Rural development grants for rural colleges and universities

Approximately half a million students graduate from high school in rural America each year and nearly 30 percent of all public four-year colleges and universities are located in rural areas. However, college enrollment rates for both eighteen to twenty-four year olds and twenty-five to twenty-nine year olds were generally lower in rural areas than in all other locales in 2004. (NCES, 2007) It is the intent of the Committee that this program will help target rural secondary students and make them aware of their postsecondary options in both community colleges and four-year institutions. This is often a challenge due to the geographic isolation of rural high schools and their proximity to institutions of higher education. By encouraging rural students to attend postsecondary institutions and community college students to consider entering a four-year institution, these grants will promote economic growth and development in rural America.

It is the further intention of the Committee that the grants awarded under this part encourage the development of training programs for professions in shortage in rural areas, and create employment pipelines to those occupations through partnerships with these same colleges.

Training for realtime writers

The Realtime Writers Act establishes competitive grants for the recruitment and training of students to help deal with the shortage of providers for closed captioning access for the over 30 million deaf and hard-of-hearing Americans that rely on this technology to get their information. The inclusion of this provision in H.R. 4137 complements previous efforts undertaken by Congress in the Telecommunications Act of 1996 and the Americans with Disabilities Act of 1990, which mandated full captioning to provide access for the hearing impaired community. By 2006, all television programming was expected to be captioned; but that has not occurred. This program helps to build the workforce necessary to provide captioners for decades to come and helps Congress keep its promise to the deaf and hard-of-hearing community.

Centers of Excellence for Veteran Student Success

H.R. 4137 strengthens support for military veteran students by establishing Centers of Excellence for Veteran Student Success to establish model programs to support veteran students on campus by coordinating services to address the academic, financial, physical and social needs of veteran students so that they successfully enroll persist and complete postsecondary education programs.

Modeling and Simulation Programs

The Committee believes that the Modeling and Simulation Grant Program is critical to ensuring that the United States remains competitive in the rapidly expanding 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. For example, modeling and simulation technology can assess a city's evacuation plan or traffic congestion through advanced computer models and simulations. Many government agencies use modeling and simulation technology, including the United States Department of Defense and the United States Department of Homeland Security, which uses the technology to train the military and emergency responders for operational scenarios. Currently, a limited number of institutions of higher education have modeling and simulation programs, including undergraduate and graduate degree programs. This competitive grant program will provide a critical source of funding for colleges and universities that want to expand and improve their Modeling and Simulation programs and provide seed money for colleges and universities that do not have an established program.

Business workforce partnerships

The Committee adopted an amendment offered by Representatives Jason Altmire (D–PA) and Lynn Woolsey (D–CA) to create Business and Workforce Partnerships. Earnings and employment are strongly linked to educational attainment. Between 2001 and 2004, twenty-four of the thirty fastest-growing occupations were predicted to be filled by people with postsecondary education or training (either a vocational certificate or a degree). Yet 42 percent

of our current workforce—adults between the ages of twenty-five and forty-five—only have a high school diploma or GED.[14]

Employers in particular sectors and regions already face skill shortages, a fact that has profound implications for our country's ability to increase economic productivity and for workers' ability to earn enough to support their families. Colleges often lack the funds to start up new, credit-bearing programs that can respond to business workforce needs because state funding and federal financial aid typically only flow after students are enrolled in programs. College workforce offerings are often created instead on the noncredit training side of the college—but this limits access to these programs since they are not eligible for financial aid and limits the ability of workers to earn credits that ultimately will lead to a degree. In addition, the workforce, education, and social service systems that prepare individuals for the labor market are often disconnected from one another and from the labor market. Therefore, H.R. 4137 establishes a federal Business Workforce Partnerships initiative that funds partnerships of colleges and employers to link credit-bearing college programs to business workforce needs, adapt college offerings to workers' schedules, map and develop career and educational pathways, expand worksite learning opportunities, and assist students with job placements. The goals of this initiative are to identify high-demand jobs in local labor markets, create pathways for advancement for non-traditional students to these occupations, and increase the supply of high-skilled workers in the targeted industries.

It is the intent of the Committee that the Business Workforce Partnership Grants created in this bill can be used to serve unemployed, employed and incumbent workers. The Committee further intends that all partners involved in the partnership will remain full partners and remain involved throughout the grant period in the grant activities.

GAO study on standardized tests and race, ethnicity and gender bias

William Kidder of Testing for the Public and Jay Rosner, Executive Director of the Princeton Review Foundation, conducted a study in 2003 that used SAT item-level data to determine the existence of racial bias in the SAT. This study found that the test included a predictable racial bias; white students outperformed African American students on every test item included in the October 1998 SAT. Furthermore, Kidder and Rosner identified that the testing service deemed pre-tested questions on which African American students outperformed their white peers as "psychometrically flawed," and did not include them for future tests on that basis. The GAO study on standardized tests and race, ethnicity and gender bias should consider whether any standardized admission tests are inherently discriminatory by race and/or gender.

[14] D.E. Hecker, "Occupational Employment Projections to 2014," Monthly Labor Review, 128 No. 11 (2005).

Study on endowments

Endowments play a role in financing the operations of institutions of higher education. Annual investment income from endowments provides funds for student financial aid, professorships, research, and other academic activities. In order to better understand how endowments contribute to the operating budgets of institutions of higher education, the Committee directs the Secretary of Education to conduct a study describing the amounts, uses, and public purposes of college and university endowments. The study should include information on the average and range of the outstanding balance of such endowments; the growth of endowments over the last ten years after factoring inflation; and the percentage of endowment spending on an annual basis. The study, to the extent practicable, should describe the uses of endowments by institutions and the extent to which endowment funds are legally restricted in accordance with gift contributions imposed by charitable donors and the types of restrictions placed upon such funds.

TITLE IX—AMENDMENTS TO OTHER LAWS

Education of the Deaf Act

The Committee reauthorizes the programs of the Education for the Deaf Act with amendments.

The Committee recognizes Rochester Institute of Technology (RIT) as the named entity, which continues the agreement with the Secretary for the establishment and operation of the National Technical Institute for the Deaf (NTID), acknowledging the longstanding relationship between RIT and NTID. The Committee permits the Secretary to enter into an agreement with another institution of higher education for the NTID if the Secretary or RIT terminates the agreement with just cause. However, it is not the intent of the Committee to prohibit the Secretary from considering the establishment of additional technical institutions of higher education for deaf and hard of hearing students in the future, provided that any such expansion would not reduce the resources available to RIT for NTID. Further, the Committee recognizes the need to explore the issue of geographical diversity in the consideration of future institutions that may potentially be added.

The Committee believes children with disabilities should be held to the same high academic expectations as all other children, including the elementary and secondary deaf students attending the K–12 schools operated by Gallaudet University. As such, the Committee requires that the University's K–12 programs adopt achievement standards and yearly progress measures consistent with the accountability requirements in the No Child Left Behind Act of 2001 (P.L. 107–110).

The Committee believes that modifying Gallaudet's reporting requirements on the disposition of secondary school and university graduates from "upon graduation/completion" to "approximately one year after graduation" will provide a clearer picture of outcomes for students. Additionally, changing the timeline of the reporting requirements will make the reporting language for the audit the same for Gallaudet and NTID.

The Committee acknowledges the unique opportunities for deaf and hard of hearing students provided by Gallaudet University and

NTID, and the importance of these institutions for such students from around the world. Currently, the 100 percent surcharge for international students is a barrier to attendance for many students. By adjusting the tuition surcharges for international students to allow for a reduction in costs and a sliding scale for students from developing countries and for individual students with demonstrated need, the Committee hopes to allow Gallaudet and NTID to utilize the available capacity to serve additional international deaf and hard of hearing students.

Indian education

Tribally Controlled Colleges and Universities Act

In response to the concerns of many tribes, the Committee makes several changes to improve the consistency among different federal programs providing assistance to tribally controlled colleges and universities. The Committee recognizes the challenges of having different federal programs provide assistance, each with a slightly different set of definitions. The Committee expects these amendments to improve the coordination between federal programs and help tribally controlled institutions spend more time serving students, and less time navigating complex federal requirements.

Diné College

The Committee recognizes the longstanding relationship between the federal Government and the Navajo Nation. Legislation enacted in 1971 established a dedicated discretionary grant stream for the Navajo Community College, which has been renamed Diné College. In reauthorizing this program, the Committee finds that the Treaty of 1868 between the United States of America and the Navajo Tribe of Indians provides for the education of the citizens of the Navajo Nation.

In 1968, the Navajo Nation created and chartered the Navajo Community College by Resolution CN–95–68 as a wholly owned educational entity of the Navajo Nation. In 1971, Congress enacted the Navajo Community College Act. In 1997, the Navajo Nation officially changed the name of the Navajo Community College to Diné College by Resolution CAP–35–97.

The purpose of Diné College is to provide educational opportunities to the Navajo people and others in areas important to the economic and social development of the Navajo Nation. The mission of Diné College is to apply the principles of Sa'ah Naaghá I Bik'eh Hózhóón (Diné Philosophy) to advance quality student learning through training of the mind and heart—(1) through Nitsáhákees (Thinking), Nahatá (Planning), Iiná (Living), and Sihasin (Assurance); (2) in study of the Diné language, history, philosophy, and culture; (3) in preparation for further studies and employment in a multicultural and technological world; and (4) in fostering social responsibility, community service, and scholarly research that contribute to the social, economic, and cultural well-being of the Navajo Nation.

The United States has a trust and treaty responsibility to the Navajo Nation to provide for the educational opportunities for Navajo people. Significant portions of the College's infrastructure are

dilapidated and pose a serious health and safety risk to students, employees and the public.

For these reasons, the Committee amends the Navajo Community College Act, and renames it after the college, now known as Diné College. The Committee also updates references to the Navajo Indian Tribe and instead replaces it with the appropriate term "Navajo Nation." The Committee also updates a study of the facilities needs of the college that was last commissioned in 1979, and authorizes a separate set of uses of funds related to the construction of buildings, water and sewer facilities, roads, information technology and telecommunications infrastructure, classrooms and external structures.

The Committee also clarifies that funds made available through the Act may be used for improving and expanding the college, including by providing for the Navajo people and others in the community higher education programs; vocational and technical education; activities relating to the preservation and protection of the Navajo language, philosophy, and culture; employment and training opportunities; economic development and community outreach; and a safe learning, working, and living environment.

Grants for training of incarcerated individuals

The Committee adopted an amendment offered by Representatives Danny Davis (D–IL), Mark Souder (R–IN), Robert Scott (D–VA), Yvette Clake (D–NY), and Donald Payne (D–NJ) to amend the youth training grants included in current law and extend the program for incarcerated individuals of all ages. Although states provide remedial education to help prisoners acquire their high school diploma or GED, postsecondary correctional education is very limited. Research has identified lack of funding as a primary barrier to such programs.[15]

After Congress barred prisoners from receiving Pell grants in 1994, provision of postsecondary correctional education dropped greatly. Currently, only approximately 5 percent of the total prison population is enrolled in postsecondary education. Although forty-five of the fifty states offer some level of postsecondary correctional education, 15 states[16] enroll 89 percent of all prisoners participating in such programs.[17] Given that current federal postsecondary correctional grants target youth, there is a great need for such programs for adults. Creating higher education opportunities for older students would help prisoners who earn a GED while incarcerated, or who must take remedial college-prep courses to complete a postsecondary program. Further, because older prisoners tend to be more mature, focused, and intent on improving their situation after release, correctional education experts assert that they would benefit from such efforts.

Multiple empirical studies demonstrate that postsecondary correctional education improves the atmosphere in prisons, increases successful reentry, increases employment after release, and decreases criminal behavior. For example, studies show that such

[15] Erisman, Wendy, Contardo, Jeanne Bayer (November 2005). Learning to Reduce Recidivism: A 50- state analysis of postsecondary correctional education policy. Washington, DC: The Institute for Higher Education Policy.

[16] The 15 states are: TX, NC, WA, IL, CA, CO, IN, OH, WI, AL, MN, LA, AZ, and NJ.

[17] Ibid.

education helps improve communication among staff and inmates, develop positive peer role models, and reduce disciplinary infractions.[18] Further, a recent three-state study of Maryland, Ohio and Minnesota found that former prisoners who had participated in college courses were 29 percent less likely to return to prison after three years.[19] Moreover, research suggests that benefits extend to prisoners' families, with children of women in a college program becoming more motivated to go to college.[20]

The Committee believes that expanding the program is a significant step toward increasing accessibility and providing more individuals with the tools necessary to obtain a postsecondary education.

Establishment of Assistant Secretary and Office for International and Foreign Language Instruction

The Committee adopted an amendment introduced by Representative Rush Holt (D–NJ) to establish an Assistant Secretary and Office for International and Foreign Language Instruction. The Committee endorses the recommendation of the National Academies of Sciences that the Department of Education should consolidate administration of its international education and foreign language programs under an executive-level person reporting to the Secretary who will provide more strategic direction and coordination with other federal agencies and the nation's education community. The Committee specifically recommends amending the Department of Education Organization Act to create an Office of and Assistant Secretary for International and Foreign Language Education reporting directly to the Secretary who will be appointed by the President and approved by the Senate. The appointee should be an individual with extensive background and experience in international and foreign language education, and would have authority for the administration and coordination of all Department programs on international and foreign language education, interagency coordination on international and foreign language education, and Department of Education international affairs.

Loan repayment for prosecutors and public defenders

The Committee believes that this language would significantly benefit the criminal justice system by providing loan relief to prosecutors and public defenders. Both professions have recently suffered problems recruiting and retaining attorneys, in large part due to the high loan debt held by law school graduates. According to the American Bar Association, the average cumulative educational debt for law school graduates in the class of 2005 was $78,763 for those graduating from private law schools and $51,056 for those graduating from public law schools. Further, a 2002 survey by

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[18] Fine, Michelle, et al. 2001. Changing Minds: The Impact of College in a Maximum Security Prison. New York: The Graduate Center of the City University of New York and Bedford Hills Correctional Facility, Taylor, Jon M. 1992. Post-Secondary Correctional Education: An Evaluation of Effectiveness and Efficiency. Journal of Correctional Education, 43(3): 132–41, and Taylor, Jon M. (1994). Should Prisoners Have Access to Collegiate Education? A Policy Issue, Educational Policy, 8(3): 315–38.

[19] Steurer, Steven J., Smith, Linda, and Tracy, Alice. 2001. Education Reduces Crime: Three-State Recidivism Study. Lanham, MD: Correctional Education Association.

[20] Fine, Michelle, et al. 2001. Changing Minds: The Impact of College in a Maximum Security Prison. New York: The Graduate Center of the City University of New York and Bedford Hills Correctional Facility.

Equal Justice Works showed that 66 percent of respondents stated that law school debt prevented them from even considering a public interest or government job. H.R. 4137 takes immediate action to alleviate that debt with the goal of recruiting and retaining more attorneys for these important professions.

Stevenson-Wydler Technology Innovation Act of 1980

Minority Serving Institutions (MSIs) play a unique role in the education of our diverse American workforce. Many of these institutions are located in poor, rural and isolated areas. MSIs have special expertise in serving their communities, which include large numbers of low-income or first-generation college students. Unlike other, larger institutions of higher education, however, MSIs typically have small or nonexistent endowments and few wealthy alumni. As a result, the ability to finance the acquisition and maintenance of the technology that will prepare these students for the workforce is especially challenging for many MSIs.

To address the significant challenges faced by MSIs, the Committee includes language to amend the Stevenson-Wydler Technology Innovation Act of 1980 to authorize the use of funds to assist eligible institutions in acquiring, and augmenting their use of, digital and wireless networking technologies to improve the quality and delivery of educational services at eligible institutions. The Committee intends for this program to address the systemic challenges within minority communities by providing a means for partnership between MSIs and K–12 schools. Further, it is the intent of the Committee that the economic support and development provided by this legislation will help to recognize that MSIs are the ideal vehicle to address the disparities in access to quality higher education opportunities impacting minority students. The Committee believes that the program should intentionally be housed at the Department of Commerce to ensure that the appropriate technology standards and resources are used to assist these institutions in need.

TITLE X—PRIVATE STUDENT LOAN TRANSPARENCY AND IMPROVEMENT

During the course of its oversight and investigations work with respect to federal student loans, the Committee began a preliminary examination of the private student loan market, which has experienced exponential growth over recent years in large part due to rapid increases in the costs of attending college that outpaced the federal investment in student financial assistance. Though private student loans may serve an important role in helping students and families finance the high costs of education, the Committee learned of troubling conflicts of interest and questionable practices similar to those found with federal student loans and other concerns distinct to private student loans.

Compared to federal student loans, little information is available about the size of the private student loan market, characteristics of private loan borrowers, and the terms and conditions of loans that borrowers obtain. According to the College Board, however, student borrowing from private sources has skyrocketed and now equals an estimated 24 percent of total educational loan volume,

nearly $20 billion annually.[21] According to the Institute of Higher Education Policy (IHEP), 83 percent of private loan borrowers are undergraduate students, 9 percent are graduate students, 7 percent are professional students, and 1 percent are post-baccalaureate students not in a degree program.[22] Professional students tend to borrower more on average, nearly $11,000 a year, compared with undergraduates, who borrow about $6,000, and graduate students, who borrow more than $8,000, according to IHEP. However, both the number of borrowers and amounts borrowed are likely to increase as the private loan market expands and if college costs continue to climb unabated.

Further, the Committee and the New York Attorney General found practices that raise concerns about conflicts of interest, including payment of travel and entertainment costs for school financial aid officers, schools and lenders entering into revenue or "profit-sharing" arrangements, and a failure by institutions to disclose the reasons why lenders were recommended by schools to their students. In addition, the New York Attorney General is investigating potentially troubling concerns about the criteria lenders are using in underwriting private student loans.

The Committee has also identified concerns with deceptive marketing practices in the private student loan industry which are consistent with findings in IHEP's December 2006 report. This report noted the rapid growth of private student loans which is coupled with concerns about the marketing of such loans to students who may not fully understand the consequences of using private loans to finance their college education. IHEP reported that a student advocacy group had filed a complaint with the Federal Trade Commission for promoting what it considered "false and deceptive claims," and "discouraging families from applying for valuable financial aid options," while "encouraging students and parents to take out high-interest private loans of up to $50,000 per year."

IHEP also reported on important differences between private and federal student loans, raising additional issues of concern to the Committee. For example, because private loans exist outside of the federal student loan system, mandates on federal student loans do not apply to private loans, including certain disclosure and borrower counseling requirements. Further, the process by which enrollment at an institution is verified varies significantly among private student loan lenders. While some lenders require school officials to certify borrowers' enrollment and educational costs, other lenders do not. The Committee is concerned that some students are receiving offers for and obtaining private loans prior to completing the FAFSA or prior to receiving a financial aid package offer from the institutions they want to attend.

Additionally, while some lenders market private student loans primarily through a school's financial aid office, a growing number of lenders are offering direct-to-consumer private loans. While direct-to-consumer loans may provide consumers additional flexibility in selecting a lender and allow borrowers to avoid having to automatically rely on schools' recommendations, IHEP noted that the lack of consistent and widespread information about private

[21] The College Board, Trends in Student Aid, 070342219 (Washington, D.C.: 2007).

[22] Institute for Higher Education Policy, The Future of Private Loans: Who is Borrowing, and Why?, (Washington, D.C.: December 2006).

loans—and unequal financial literacy among potential borrowers—is of serious concern. Students who borrow private loans directly from lenders without the help of a school official may not be aware of the differences between federal and private loans, or may not fully understand the protections and benefits provided with federal loans, including in-school interest subsidies, caps on interest rates, and opportunities for loan deferments, forbearance, and forgiveness.

Further, Consumers Union released a report in July 2007 that determined, among other things, whether students and parents could identify the most affordable loan choices 93 and understand the resources necessary to repay them.[23] Consumers Union conducted qualitative market research, using focus groups with over 130 students and parents in five major metropolitan areas: Atlanta, Boston, Chicago, Los Angeles, and New York. Focus group participants included recent graduates, current undergraduates, and parents of undergraduates.

Consumers Union reported a number of findings, including that nearly 50 percent of undergraduate private student loan borrowers fail to exhaust their low-cost federal student loan options. In addition, the research showed that current students and many parents:

- did not understand the significant differences between federal and private student loans;
- thought the interest rates charged for federal and private student loans were the same (a particularly troubling finding, given that the Committee in its own oversight work has identified some private loans with exceptionally high origination fees—10 percent—and interest rates—approaching 20 percent);
- expressed confusion over the concept of interest capitalization;
- believed that it was not worthwhile to complete the FAFSA to qualify for an unsubsidized federal Stafford loan (this was especially expressed by those who did not qualify for subsidized Stafford or Perkins loans);
- expressed concern over whether they had obtained the best student loan deal and several current and former students indicated that they had borrowed too much because they did not understand the costs they would have to repay;
- were bombarded (from junior year of high school through at least college graduation) with loan solicitations from private student loan lenders both in the mail and via email, some of which used various aggressive marketing "come-ons;"
- overwhelmed by the "hunt" for information and money to pay for college.

In light of the (1) exponential growth of the private student loan market, (2) questionable practices by some lenders and conflicts of interest identified by the Committee and others, (3) lack of transparency and substantive disclosures concerning the term and conditions of private loans, (4) challenges faced by students and families in identifying and determining optimal college financing strategies, and (5) consequences for students of incurring increasing and excessive debt burdens, the Committee believes Congress must act.

[23] Consumers Union, Helping Families Finance College: Improved Student Loan Disclosures and Counseling, (Yonkers, NY.: July 2007).

Working closely with the Committee on Financial Services, the Committee on Education and Labor includes several significant provisions in H.R. 4137 to address many of the concerns identified. Importantly, the provisions are intended to complement the consumer protection provisions included in titles I and IV of the bill addressing federal student loans.

The Committee believes that students and families deserve full and fair information about all borrowing options when making important decisions about how to finance a college education. Title X of the College Opportunity and Affordability Act ensures that students are fully informed about the terms and conditions of private loans, and are better protected from dangerous levels of private student loan debt. Among the other things, the Act:

- Requires lenders to make additional disclosures to borrowers at three stages of the loan application process: (1) with advertising or solicitation of loans, (2) with approval of loan applications, and (3) with consummation of loans, and requires written notification from borrowers that they have received these disclosures;
- Prohibits any gifts or financial arrangements made between private lenders and schools in exchange for loan volume, and prohibits co-branding of loans;
- Requires lenders offering private loans to first inform students of their federal student loan borrowing options;
- Requires lenders to notify a borrower's school of a proposed loan of $1,000 or more;
- Provides loan applicants a 30–day loan acceptance period after a lender has approved the loan, and grants borrowers up to three days to change their minds after they accept the loan;
- Bans fees and penalties for early prepayment of loans;
- Promotes college student financial literacy by requiring the Department of the Treasury to help colleges implement effective financial literacy education programs;
- Requires the GAO to further study private loans, and how private loan pricing, and default and graduation rates affect the availability of private loans to certain borrowers at certain schools; and,
- Provides incentives under the Community Reinvestment Act requirements for lenders to provide low-cost private student loans to low-income borrowers.

The Committee believes the initial steps provided for in the legislation will make important advances toward ensuring that students and families have enhanced information that will allow them to better understand the consequences of relying on private student loans in financing their education. Additionally, by ensuring the schools are made aware that students are considering taking out a private loan, professional student aid administrators will be afforded an opportunity to provide counseling to students and help ascertain whether students have exhausted their federal and other financial aid options before turning to private student loans. Moreover, given that under current law schools must take into consideration a borrower's private student loans in packaging student financial assistance, the Committee believes that student aid administrators can help students avoid unintentionally jeopardizing the amount of federal aid for which students would otherwise qualify.

The Committee intends to continue its oversight and investigations of the private student loan market, given its rapid expansion and its significant impact, both negative and positive, for students and families and the dearth of information available to policymakers. Already, in response to news reports of excessive executive compensation and extravagant expenditures, the GAO has undertaken, at the Committee's request, an investigation of whether tax-exempt organizations making student loans are abusing their tax-exempt status and are involved in deceptive marketing. In addition, at the request of the Committee, and subsequently supported by the Secretary of Education, the Federal Trade Commission has undertaken an investigation of student loan marketing practices by lenders in the student loan market. In undertaking its work, the Committee will continue its close collaboration with the Committee on Financial Services and consider future hearings and legislation as needed.

V. SECTION-BY-SECTION ANALYSIS

Sec. 1. Short title; table of contents

Designates the short title as the "College Opportunity and Affordability Act of 2007. " Contains the Table of Contents.

Sec. 2. Reference; Effective date

Establishes the effective date as the date of enactment; provides that, unless otherwise noted, any amendment to repeal or amend a section or provision amends or repeals a section or provision of the Higher Education Act of 1965.

TITLE I—TITLE I AMENDMENTS

Sec. 101. Definitions of institution of higher education

Amends section 101 to include among listed students an institution may enroll to meet the definition students who are in a program that is acceptable for admission to a graduate program, upon approval by the Secretary of Education, and those students who are dually enrolled at the institution and a secondary school. Amends section 102 to allow foreign medical schools to be eligible for federal aid if they have a clinical training program approved prior to January 1, 2008, certify only unsubsidized Stafford or PLUS loans, and agree to reimburse the Secretary for the cost of any defaulted loan in the institution's cohort default rate during the previous fiscal year. Allows foreign nursing schools to be eligible for federal aid if they have agreements with hospitals and nursing programs located within the United States, have students complete their training in the United States, certify only unsubsidized Stafford and PLUS loans, and agree to reimburse the Secretary for the cost of any student loan defaults if the institution's cohort default rate exceeds 5 percent. Makes conforming amendments regarding the "90/10 Rule." Further amends section 102 to include among listed students an institution may enroll to meet the definition, students who are dually enrolled at the institution and a secondary school.

Sec. 102. Additional definitions

Amends section 103 to include additional definitions of terms for use in the Act, including: authorizing committees, critical foreign language, distance education, high-need school, limited English proficient, universal design, and universal design for learning. Makes conforming amendments throughout the Act.

Sec. 103. Treatment of territories and territorial student assistance

Amends section 113 to strike subsection (b), which became ineffective on September 30, 2004.

Sec. 104. National Advisory Committee on Institutional Quality and Integrity

Amends section 114 to establish a National Advisory Committee on Institutional Quality and Integrity in the Department of Education to advise the Secretary on accreditation matters. Provides that the committee will be comprised of eighteen members, of which six will be appointed by the Secretary, six will be appointed by the Speaker of the House of Representatives (three members based on the recommendation of the majority leader of the House of Representatives and three members based on the recommendation of the minority leader of the House of Representatives), and six will be appointed by the President pro tempore of the Senate (three members based on the recommendation of the majority leader of the Senate and three members based on recommendation of the minority leader of the Senate). Establishes qualification requirements and terms of office for committee members, provides for the selection of a committee chairperson and specifies the functions of the committee. Sets forth committee meeting procedures, limitations on committee functions, and reporting requirements.

Sec. 105. Drug and alcohol abuse prevention

Amends section 120 to include reporting on the number of drug and alcohol-related incidents that occur on the property of an institution of higher education and that are reported to the institution, and extends the Alcohol and Drug Abuse prevention grants, and repeals the National Recognition Awards.

Sec. 106. Prior rights and obligations

Amends section 121(a) to permanently extend the authorization to continue coverage of prior rights and obligations for servicing of outstanding bonds from old title VII bonds.

Sec. 107. Improved information concerning the Federal student financial aid Web site

Amends section 131 to add new subsections to promote the Department of Education Federal Student Aid Web site by ensuring prominent links to the site on the Department of Education's homepage, and creating a database of federal student assistance programs, including those located at federal agencies and departments other than the Department of Education.

Sec. 108. State commitment to affordable college education

Inserts a new section 132 requiring a fiscal maintenance of effort on the part of a state for public institutions of higher education lo-

cated in the state. Provides that the Secretary of Education may waive the requirement in specified circumstances. Makes states that fail to meet the requirement ineligible for funding under certain newly established program funds. Authorizes the Secretary to identify and disseminate institutional cost containment strategies and publicly recognize institutions of higher education that are doing an effective job at cost containment.

Sec. 109. Transparency in college tuition for consumers

Inserts a new section 133 to define net price and provide for the development by the Bureau of Labor Statistics of higher education price indices that reflect the annual change in tuition and fees for undergraduate students by institution type and control. Requires the Secretary to publicly report on an annual basis a national list ranking institutions of higher education according to the percentage change and dollar change in such institutions' tuition and fees over the preceding three years. Creates higher education price increase watch lists to be published by the Secretary annually to list those institutions whose increase in tuition and fees outpace the applicable higher education price index; requires the Secretary to report the full price of tuition and fees, price of room and board, and common expenditures for such institutions. Requires institutions so listed to establish quality-efficiency task forces to review, analyze and publicly report on the institution's operating costs. Provides that in specified circumstances institutions would be exempt from being listed on the higher education price increase watch list. Requires the Secretary to annually report on the Department's web site the most recent five-year trends in each state's appropriations per enrolled student in public institutions of higher education in the state and tuition and fees for each such institution as well as the total amount of need-based and merit-based aid provided by the state to students enrolled in an institution of higher education in the state.

Provides for the creation by the Secretary of several model net price calculators to help students, families, and consumers determine the net price of an institution of higher education for various categories of such institutions. Requires institutions of higher education to adopt and use a net price calculator, as either developed by the Secretary or the institution, to help students, families and other consumers determine the net price of such institution and requires disclosure of the institution's net price in the institution's admissions application materials. Further requires the Secretary to develop a model document, to be known as the "University and College Accountability Network" (U–CAN), to annually report basic information about each institution that chooses to participate, to be posted on the college information web site and made available to institutions of higher education, students, families, and other consumers. Requires the document to include the following information about the institution in a consumer-friendly manner: specified demographic and enrollment information on students enrolled at the institution; specified information on the degrees awarded by the institution; specified information about the faculty of the institution; specified information about the cost of attending the institution, the financial aid received by and available to the students at

the institution; and other specified information that would be helpful to prospective students and students enrolled at the institution.

Sec. 110. Textbook information

Amends part C of title I by adding a new section 134 to ensure that students are offered better and more timely access to affordable course materials. Defines necessary terms.

Further requires that publishers provide faculty or other adopting entities with information on the price at which the publisher makes the material available to the college bookstore on the campus of (or otherwise associated with) the institution, the copyright dates of all previous editions of the textbook, a description of any substantial content revisions between the current and preceding version of the textbook or supplemental material, and whether the textbook or supplemental material is available in any other formats (including paperback and unbound) and the price at which the alternative materials are available. Requires that such information be provided in writing, which may include electronic communication, such as e-mail or access to a public web site. Requires publishers to offer all bundled materials (as such term is defined) as separate and unbundled items that are separately priced. Requires publishers to provide the information required under this section to the maximum extent practicable for custom textbooks.

Requires that, to the maximum extent practicable, institutions of higher education shall disclose in the Internet course schedules the International Standard Book Number (ISBN) and retail price information for required and recommended textbooks, related materials, and supplies for each course listed in the institution's course schedule. In the case that the ISBN number is not available for an item, requires the institution to disclose the author, title, publisher, and copyright date of the item. If the institution determines that the disclosure of the information is not practicable for an individual item or for a course, requires the institution to place "to be determined" in absence of the information until such time as the information is available. Requires institutions that do not provide subsequent course information on the Internet to provide the information required in printed course catalogs, as such information is available at the time of printing.

Further requires that institutions of higher education provide, as soon as is practicable, upon the request of any college bookstore the institution's course schedule for the subsequent academic period, and for each course or class the information required to be provided on the institution's Internet course schedule, the number of students enrolled, and the maximum student enrollment.

Nothing in this section is intended to supersede institutional autonomy or the academic freedom of instructors in selecting college textbooks and materials for use in higher education.

This section is effective on July 1, 2008.

Sec. 111. Database of student information prohibited

Inserts a new section 135 that provides that nothing in the Act should be construed to authorize the Secretary, to develop, implement, or maintain a federal database of personally identifiable information on individuals receiving assistance under this act, attending institutions receiving assistance under this act, or other-

wise 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. Adds a new section that clarifies that this prohibition does not apply to a system that is necessary for the operation of programs authorized by title II, IV, or VII or data required to be collected by the Secretary that were in use by the Secretary as of the day before the date of enactment of the College Opportunity and Affordability Act of 2007. Further clarifies that the prohibition does not extend to a state or a consortium of states, which may develop, implement, or maintain 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. 112. Institution and lender reporting and disclosure requirements

Amends title I of the Higher Education Act of 1965 to create a new part E (Institution and lender reporting and disclosure requirements). Section 151 defines "covered institution" as any educational institution that offers a postsecondary educational degree, certificate, or program of study, and receives any federal funding or assistance; the term includes authorized agents and employees of the institution. The term "educational loan" is defined to include loans made, insured, or guaranteed under title IV of the Higher Education Act of 1965 or a private educational loan, which is defined as a loan not made, insured or guaranteed under title IV and issued by a lender to a student or parent expressly for postsecondary educational expenses. Defines a "preferred lender arrangement" as an arrangement or agreement between a lender and a covered institution under which a lender provides a loan to a student or parent of student attending an institution and the institution recommends, promotes, or endorses the lender's loan product; excludes from the definition loans made under section 499(b) as well as loans under Parts D and E of title IV of the Higher Education Act. Defines "lender" as a creditor, as defined in section 103 of the Truth in Lending Act, and includes an agent of the lender. Defines "officer" as including a director or trustee of an institution and the term "postsecondary educational expenses" as those expenses included as part of a student's cost of attendance, as defined under section 472.

Section 152 requires each lender entering into a preferred lender arrangement with a covered institution to certify annually to the Secretary of Education its compliance with the requirements of this act. Also prohibits institutions from agreeing to a lender's use of the name, emblem, mascot, or logo of the institution in the marketing of private educational loans in any way that implies that the institution endorses the private educational loans offered by a lender.

Section 153 directs the Secretary of Education to report to the authorizing Congressional committees on the adequacy of educational loan information provided to borrowers and requires the report to include a model disclosure form developed and prescribed by the Secretary for lender use in providing annual loan informa-

tion to the Secretary and covered institutions with which they have a preferred lender arrangement. Also requires such lenders to disclose, in addition to specified loan information, interest rates and other terms and conditions of educational loans, and any philanthropic contributions made to such institutions. Requires institutions to provide the Secretary, prospective borrowers, and the public with the disclosure form information as well as a detailed explanation of why such loans are beneficial to borrowers in time for the student or parent to take such information into account before applying for or selecting a loan. In addition, requires covered institutions to disclose on their web sites and in their informational materials: (1) that they cannot limit students to recommended lenders and must process the loan documents of any eligible lender; (2) the information provided on the model disclosure form with regard to recommended lenders; (3) the maximum federal grant and loan aid available; and (4) the cost of attendance.

Requires, under section 154, covered institutions that provide prospective borrowers with private educational loan information inform students and parents of (1) their title IV assistance eligibility; and (2) compare and distinguish private loans from title IV loans.

Section 155 requires institutions of higher education (IHEs) to develop, publicize, and enforce codes of conduct for their officers, employees, and agents that prohibit conflicts of interest with respect to educational loans. Also prohibits an institution's officers, employees and agents that have financial aid duties from accepting gifts from lenders, guarantors, or servicers of educational loans and directs the Inspector General of the Department of Education to investigate and report annually to Congress on gift ban violations. In addition, prohibits institutional officers, employees or agents who are employed in the financial aid office of an institution from accepting any fee, payment, or other financial benefit as compensation for any type of consulting arrangement or other contract to provide services to a lender or on behalf of a lender, and from participating on any advisory councils of lenders or affiliates of lenders. Also provides that in certain circumstances an institutional officer, employee or agent is allowed to serve on a board of directors of a lender, guarantor, or servicer of educational loans, and that an officer, employee or agent of a lender, guarantor or servicer of educational loans is allowed to serve on an institution's board of trustees. Bars institutions from: (1) entering into revenue sharing agreements; (2) requesting or accepting lender assistance with call center or financial aid office staffing, except in limited circumstances; (3) requesting or accepting any lender's offer of funds for private educational student loans in exchange for concessions or promises to the lender with respect to an institution providing the lender a specified number of loans, a specified loan volume, or a preferred lender arrangement for any loans made, insured, or guaranteed under title IV. Also prohibits lenders from making any such offer.

Section 156 conditions the receipt of federal funds and assistance by schools and lenders on their compliance with part E. Establishes penalties for noncompliant schools and lenders, including: (1) a ban on lenders from participating in title IV programs; and (2) a $25,000 civil penalty for institutions and as well as for lenders that do not participate in title IV programs.

Also included in the new part E is section 157 which provides for enhanced student loan counseling for borrowers. Requires lenders to contact borrowers five years into their loan repayment to ascertain, for those borrowers who selected other than a standard repayment plan, whether a borrower is able to select an alternative repayment plan with a shorter repayment period that would reduce the total interest paid on the borrower's loan. Additionally, prior to a borrower beginning loan repayment, requires lenders to provide a borrower an explanation of principal borrowed, current balance, interest already paid, interest due over the life of the loan, and options by which borrowers may avoid or be removed from default, as well as repayment options. Requires lenders to provide similar information during loan repayment periods, and to provide information concerning options, including forbearance, available to borrowers experiencing difficulty repaying their loans. Requires institutions of higher education to provide enhanced counseling for borrowers including providing them information concerning the average indebtedness of borrowers at the institution, sample monthly repayment amounts based on a range of indebtedness levels, starting salaries for graduates of institutions by type and control of institution and field of study, repayment options available to borrowers, and the likely consequences of borrower default. Requires the Secretary to provide information to institutions to enable them to provide borrowers with the enhanced counseling.

Sec. 113. Feasibility study for national electronic student loan marketplace

Directs the Secretary, in consultation with the Federal Trade Commission (FTC), representatives of student loan borrowers, representatives of institutions of higher education, and other relevant stakeholders, to conduct a study on the feasibility of developing a National Electronic Student Loan Marketplace that would provide for a registry of realtime information on federal and private student loans. Requires the Secretary to report findings to the authorizing Congressional committees not later than six months prior to the completion of the model interest rate format required under section 153(a)(1).

TITLE II—TITLE II REVISION

Sec. 201. Revision of title II

Section 201 amends title II with revisions to Part A, Part B, and the addition of a new Part C.

TITLE II TEACHER QUALITY ENHANCEMENT

Definitions and Rule of Construction

Includes definitions to be used for all of title II, but primarily for Part A Teacher Quality Partnership Grants, and in addition to other terms, specifically includes the following definitions:

• *Induction program* is a formalized program for new teachers during at least the teachers' first two years of teaching that is designed to provide support for, improve the professional performance of, and increase retention of beginning teachers. Such programs shall promote effective teaching skills and shall include high-quality teacher mentoring, periodic and structured time for collabora-

tion with teachers in the same department or field, the application of empirically based practice and scientifically valid research on instructional practices, development of skills in instructional and behavioral interventions derived from empirically based practice and, where applicable, scientifically valid research, assistance with the understanding of data, particularly student achievement data and the data's applicability in classroom instruction, and regular evaluations of the new teacher.

• A *Teaching residency program* means a school-based teacher preparation program in which a prospective teacher teaches alongside a mentor teacher for one academic year; receives concurrent instruction from the partner institution; acquires effective teaching skills; and earns a master's degree, attains full state teacher certification or licensure, and becomes highly qualified.

• *Scientifically valid research* is applied, basic and field-initiated research in which the rationale, design and interpretation are soundly developed in accordance with accepted principles of scientific research.

• *Early childhood education program* is defined as a program funded under Head Start, a state licensed or regulated child care program or state prekindergarten program serving children from birth through kindergarten. Additionally, this section defines early *childhood educator* as an individual with primary responsibility for the education of children in these defined programs.

This section also includes a rule of construction to ensure that nothing in title II may supersede the terms of collective bargaining contracts.

PART A—TEACHER QUALITY PARTNERSHIP GRANTS

Purposes; Definitions

Under Part A teacher quality partnership grants amend current law by eliminating state grants. With respect to the terms specific to the partnership grants, amends terms in current law as follows:

• *Eligible partnerships* is amended to include not only a high need local education agency but a consortium of such LEAs or early childhood education programs. Additionally, departments or programs that are specific to teacher professional development, are included as well. Further, the term includes teacher organizations, charter schools, and operating programs that provide of alternative routes to state certification of teachers.

• *Partner institutions* is amended to include two-year institutions of higher education offering a dual program with a four-year institution as well as changes to ensure that the teacher education programs require a higher standard of achievement.

Partnership grants

Authorizes the Secretary to award competitive grants to eligible partnerships. Requires that each application contain a needs assessment of all the partners and a description of the extent to which the teacher preparation program prepares new teachers, including how to understand and use research and data in the classroom, and how the partnership would coordinate with other programs. Requires that applications also include a resource assessment of the resources available to the eligible partnership and an

evaluation plan. In addition, requires applications to describe how the partnership would: align the teacher preparation program with academic achievement, early learning, and content standards; connect faculty at partner institutions with teachers and their classrooms in the high-need local educational agency included in the partnership to provide professional development opportunities; ensure the preparation of general education teachers and special education teachers to teach students with limited English proficiency; in-service professional development strategies and activities to be supported; design, implement or enhance a yearlong rigorous and enriching pre-service clinical program; collect, analyze, and disseminate data on teacher retention.

Provides that eligible partnerships that receive grants under this part shall use grant funds to carry out a program for the pre-baccalaureate preparation of teachers, a teaching residency program, a leadership development program or all of these programs. Programs for the pre-baccalaureate preparation of teachers shall be held accountable for promoting strong teaching skills, as well as preparing current or prospective teachers to be highly qualified, to understand evidence-based research on teaching and learning and its applicability to the classroom, and to use technology effectively. Required reforms shall include changing teacher preparation curriculum to improve, evaluate and assess how new and prospective teachers develop teaching skills; using evidence-based knowledge about teaching and learning to improve the preparation of teachers; ensuring new teachers receive training in both teaching and content areas; and developing and implementing an induction program, literacy training, as well as other requirements. Such programs shall also include clinical experience and interaction, through the development and improvement of sustained and high-quality pre-service clinical education programs, to further develop the teaching skills of all prospective educators. Requires such programs must create induction programs for new teachers. Such programs must also provide support and training for participating individuals, such as release time, course workload credit, and a stipend for mentors.

Teaching residency programs shall be based on models of successful teaching residencies, and shall include: the integration of pedagogy, classroom practice, and teacher mentoring; engagement of participants in rigorous coursework to obtain a master's degree while undertaking a guided teaching apprenticeship; experience and learning opportunities alongside an experienced mentor teacher, including the establishment of clear criteria for the selection of mentor teachers based on measures of teacher effectiveness and subject area knowledge; grouping of teacher candidates in cohorts to facilitate professional collaboration among residents; development of admissions goals and priorities aligned with the hiring objectives of the local education agency; support for residents, once they are teachers, through an induction program; and continued provision of professional development and networking opportunities to support residents through at least their first two years of teaching. Teaching residency programs shall provide 1-year living stipend or salary to teaching residents during the one year residency. As a condition of receiving such a stipend, a teacher resident shall agree to teach in a high-need school served by the high-need local

educational agency involved in the partnership for three or more years after completing the residency.

Leadership programs shall prepare students to participate in programs to prepare them for careers as superintendents, principals, or other school administrators. The program also ensures participants shall receive effective pre-service preparation and mentoring which may include year-long opportunities for enrichment and clinical learning settings. The program also includes an induction program for new administrators and ensures the recruitment of individuals, from underrepresented populations, mid-career professionals and those from rural communities, to participate in the program.

Administrative provisions

Provides that grants available under this section shall be for five year periods, and that a partnership is eligible to receive only one grant during a five year period. However, individual members within a partnership are eligible to receive another grant during this period by participating in other partnerships with different members. Applications shall be submitted to a peer review panel for evaluation, and the Secretary shall select grant recipients on the basis of the peer review process. Priority shall be given to applications that include teacher preparation programs with a rigorous selection process and to applicants from broad-based partnerships that include business and community organizations or to partnerships that will ensure an equitable distribution of grants among urban and rural areas. Each partnership receiving a grant under this section is required to provide an amount equal to 100 percent of the amount of the grant in cash or in kind from non-federal sources. The Secretary may waive the matching requirement if the matching requirements would impose a serious hardship.

Accountability and evaluation

Requires that partnership evaluation plans include objectives and measures for increasing student achievement, teacher retention, improvements in pass rates on state certification and licensure, and the percentage of highly qualified teachers hired by the high-need local educational agencies, including the percentage of highly qualified teachers working within the various targeted demographics including high-need areas (including special education, language instruction, educational programs for limited English proficient students, and early childhood education).

Accountability for programs that prepare teachers

Requires that all institutions of higher education that conduct a traditional teacher preparation program or alternative route to state certification or licensure program, and that enroll students receiving federal assistance under this Act, report the progress made toward specific measures for both their traditional teacher preparation programs and alternative route to state certification or licensure programs.

Requires states to annually submit a report card on the quality of teacher preparation to the Secretary of Education. The Secretary may not create a national list or ranking of states or schools based

on these reports. The Secretary must provide Congress with a report card, which must be made widely available, on teacher qualifications and preparation in the United States. The Secretary must also submit a report to Congress that contains a comparison of states' and eligible partnerships' efforts to improve the quality of the teaching force.

Teacher development

Requires institutions that receive title IV aid and conduct traditional teacher preparation programs, including programs that offer ongoing professional development programs or alternative routes to state certification or licensure programs, to set annual quantifiable goals for increasing the number of prospective teachers trained in teacher shortage areas, and more closely link the training provided by the institution with the needs of schools. A report shall be made public on whether institutions have met these goals.

State functions

Requires states receiving funds under this section have in place a procedure to identify and assist low-performing teacher preparation programs. If a state terminates financial support for a teacher preparation program due to low performance, the program must provide transitional support for students enrolled at the institution at the time of the termination.

General provisions

Requires the Secretary to ensure that states and institutions of higher education use fair and equitable methods in reporting and that the reporting methods not allow for identification of individuals. Provides that information requested by the teacher preparation programs be provided to the program to enable the program to evaluate its effectiveness.

Authorization of appropriations

This section provides $500 million for fiscal year 2009 and such sums for each of the two succeeding fiscal years.

PART B—PREPARING TEACHERS FOR DIGITAL AGE LEARNERS

This part replaces Part B under current title II.

Program authorized

Authorizes the Secretary to award grants to eligible consortia for the purpose of prioritizing the use of technology to improve student learning. Grants for the program are for three years, renewed for one additional year, and for not more than $2 million.

The federal share shall not exceed 75 percent. An eligible consortium is defined as at least one institution of higher education that prepares teachers, at least one state educational agency, or local educational agency, a department of education, a college of arts and sciences, and an entity with the capacity to contribute to the technology-related reform of teacher preparation programs.

Uses of funds

Under this section, grants that receive funding fall into one of two categories: partnership grants or transformation grants. For

partnership grants, funds shall be used to provide teacher candidates with field experiences in educational settings with technology; build the skills of teacher candidates; provide professional technology development including pedagogical skills; implement strategies for the mentoring of teacher candidates; evaluate teacher candidates; build collaborative learning communities; and evaluate the effectiveness of the project. For transformation grants, funds shall be used to redesign curriculum; to foster collaboration between the department, school, or college of education to integrate technology into the teacher preparation programs as well as transform the teaching and learning process; foster collaboration among faculty to create case studies of technology applications; and other specific uses.

Application requirements

This section provides that eligible consortium shall submit an application to the Secretary that clearly addresses a description of the project to include some specifics; a demonstration of commitment and support for the project; how consortium members will participate; collaboration with the state and local educational agency; and other requirements.

Evaluation

This section specifies that not less than 10 percent of the funds awarded shall be used to evaluate the effectiveness of the project.

Authorization of appropriations

This section provides $100 million for fiscal year 2009 and such sums for each of the two succeeding fiscal years.

PART C—ENHANCING TEACHER EDUCATION

This part creates a new Part C to title II.

Authorization of appropriations

This section authorizes such sums as may be necessary for fiscal year 2009 and each of the four succeeding fiscal years to carry out the programs in this part.

SUBPART 1—RECRUITING TEACHERS WITH MATH, SCIENCE, OR LANGUAGE MAJORS

Program authorized

This section authorizes the Secretary to provide competitive grants to institutions of higher education to improve the availability, recruitment, and retention of teachers from among students majoring in math, science, foreign languages, special education, or to those teaching English to students who are limited English proficient. Grantees shall use funds to create and provide new recruitment incentives to encourage individuals to go into teaching, particularly those in the high-need subject areas. Additionally, funds may be used to upgrade curriculum related to instructional strategies for teaching reading, the English language, and differentiating instruction to teach students with disabilities. Funds may be used to integrate faculty from the school of education, and other pursuits

to ensure the recruitment of highly qualified individuals in high-need subject areas.

SUBPART 2—COMMUNITY COLLEGES AS PARTNERS IN TEACHER EDUCATION GRANTS

Grants to community colleges

This section authorizes the Secretary to provide competitive grants to eligible entities to establish or enhance teacher education programs at community colleges. Funds from the grants shall be used to develop curriculum for teacher education programs and post-baccalaureate certification programs at community colleges; clinical experiences; develop new associate degree programs focused on teacher preparation; increase the alignment between community college teacher education programs and four-year college and university teacher education programs; recruiting individuals to participate in the program to ensure diversity; preparing teachers for high-demand subject areas and to teach in high-need schools; and other uses. An eligible entity is a community college or consortia of community colleges or statewide community college system that has entered into a partnership with a four-year institution of higher education with a teacher preparation program, and at least one of the following: the state agency that oversees teacher preparation; one or more local educational agencies; a professional organization representing teachers. Priority shall be given to applications that aim to increase the diversification of the teacher workforce, prepare teachers for high-demand subject areas or to teach in high-need schools.

Definitions

This section defines community colleges; four-year institutions; and a qualified teacher preparation program.

SUBPART 3—HONORABLE AUGUSTUS F. HAWKINS CENTERS OF EXCELLENCE

Definitions

This section defines the terms: eligible institution; and scientifically based reading research.

Honorable Augustus F. Hawkins Centers of Excellence

This section authorizes the Centers of Excellence competitive grant program. Requires grantees to ensure that current and future teachers are highly qualified. Requires grantees to use funds to implement reforms within teacher preparation programs to ensure that such programs are preparing teachers who are highly qualified, are able to understand scientifically based research, and are able to use advanced technology effectively in the classroom to improve student academic achievement; provide new teachers sustained and high-quality pre-service clinical experience, mentoring from exemplary teachers, and increased interaction between faculty at institutions of higher education and new and experienced school personnel; develop initiatives to promote retention of highly qualified teachers and principals, including minority teachers and principals; award need-based scholarships to help students pay the cost of tuition, room, board, and other expenses; disseminate informa-

tion on effective practices for teacher preparation and successful teacher certification and licensure assessment preparation strategies; and activities authorized under sections 202.

Outlines the requirements for submitting an application. Sets the minimum grant under this part at $500,000. Limits to 2 percent the amount of a grant that can be used for administrative expenses. Requires the Secretary to prescribe regulations as necessary.

SUBPART 4—TEACH FOR AMERICA

This subpart authorizes the Secretary to award a non-competitive grant to Teach for America to conduct outreach activities to undergraduate and graduate students to attract them to participate in the Teach for America program. The program attracts college graduates to teach for up to two years in underserved schools. Grant funds will be used for recruitment, pre-service training and professional development during an individual's first two years of teaching under this program. Teach for America shall submit an annual report and the Secretary shall conduct a study of program outcomes.

SUBPART 5—EARLY CHILDHOOD EDUCATION PROFESSIONAL DEVELOPMENT AND CAREER TASK FORCE

Purpose

This section establishes the purpose of this subpart.

Definition of early childhood education program

This section defines an early childhood education program.

Grants authorized

This section authorizes a new competitive grant program for states. Grant funds shall be used to establish State Early Childhood Education Professional Development and Career System Task Forces and to support the activities of such task forces.

State task force establishment and State task force activities

Under these sections, such State Task Forces may be new entities or may be existing entities designated by the Governor for this purpose. They shall include at least five members representing specifically designated stakeholders, and shall carry out activities including the conducting of periodic needs assessments of the demographics of individuals working in early childhood education programs in the state and a review of opportunities for and barriers to high quality professional development and training in early childhood development and learning. The State Task Force shall develop a plan for a comprehensive statewide career system. The plan shall include methods of outreach to early childhood education program staff; developing a unified data collection and dissemination system for early childhood training, professional development, and higher education programs; providing resources for the costs of enrolling in and completing post-secondary education programs; developing mentoring and coaching programs to support new teachers in and directors of early childhood education programs; supporting professional development activities and a career lattice; supporting

articulation agreements between two- and four-year institutions and other mechanisms to earn academic credit; providing career development advising with respect to the field of early childhood education; and providing a system of quality assurance with respect to the early childhood education professional development and career system, including standards or qualifications for individuals and entities who offer training and professional development in early childhood education. The State Task Force shall hold public hearings and provide an opportunity for public comment on the contents of the state plan. The State Task Force shall meet periodically to review implementation of the plan and propose changes as needed.

State application and report

This section outlines the requirements for the application and requires each state receiving a grant to submit a report to the Secretary no later than two years after receiving the grant.

Evaluations

This section requires that each state receiving a grant under this subpart must evaluate their activities.

Sec. 202. National Academy of Sciences study of best practices in teacher preparation

This section calls for the National Academy of Science to study the best practices in teacher preparation.

TITLE III—TITLE III AMENDMENTS

Sec. 301. Program purpose

Section 301 states that special consideration for awarding grants under this section shall be given to grant applications that include support services for the education of special populations. Allowable uses of grant funds are expanded to include using grant aid for education or counseling services designed to improve the financial literacy of students or their parents.

Sec. 302. Title III grants for American Indian Tribally Controlled Colleges and Universities

Section 302 amends the definition of a "Tribal College or University" to include institutions identified in the Tribally Controlled College or University Assistance Act of 1978, the Navajo Community College Assistance Act of 1978, or cited in section 532 of the Equity in Educational Land Grant Status Act of 1994.

Allowable uses of grant funds are also expanded. Institutions may now use grant aid to acquire real property adjacent to the institution, for education or counseling services designed to improve financial literacy of students or their parents, or to develop or improve distance learning or Internet facilities and capabilities.

The Secretary of Education would use the remaining appropriated funds to award grants on a formula basis, with no such grant in an amount less than $500,000. Sixty percent of these funds would be awarded proportionally, based on the number of Indian students enrolled at these colleges and universities. The re-

maining 40 percent would be distributed equally among all eligible schools.

Colleges or universities that are eligible for and receive funds under section 316 would not be eligible to receive any additional funding, concurrently, under part A or B of title III. Eligible institutions would not be subject to the wait-out period with respect to new funding under section 316.

Sec. 303. Predominantly Black Institutions

This section authorizes the Secretary to award grants under a new grant program to Predominantly Black Institutions. Grant funds shall be used to plan, develop, undertake and implement programs to enhance the institution's capacity to serve more low- and middle-income Black American students, to expand higher education opportunities for title IV eligible students by encouraging college preparation and student persistence in secondary school and postsecondary education, and to strengthen the ability of the Predominantly Black Institution to serve such students. Grant funds may be used for academic instruction in disciplines in which Black Americans are underrepresented, to establish or enhance a program of teacher education designed to qualify students to teach in a public elementary school or secondary school in the state, or to establish community outreach programs that will encourage elementary school and secondary school students to develop the academic skills and interest to pursue postsecondary education, among other uses. Up to 20 percent of each grant may also be used to establish or increase an endowment fund, in which case the institution must raise an equal amount from non-federal sources.

Priority for such grants shall be given to Predominantly Black Institutions with high numbers of financially needy or Black students. Grants shall not be less than $250,000.

Sec. 304. Assistance to Asian American and Pacific Islander-serving institutions

This section authorizes the Secretary to award grants under a new grant program to Asian American and Native American Pacific Islander-serving institutions. Grant funds shall be used to plan, develop, undertake and implement programs to enhance the institution's capacity to serve more low- and middle-income Asian American and Pacific Islander students, to expand higher education opportunities for title IV eligible students by encouraging college preparation and student persistence in secondary school and postsecondary education, and to strengthen the ability of the institution to serve such students. Grant funds may be used for academic instruction in disciplines in which Asian Americans and Native American Pacific Islanders are underrepresented, to support faculty exchanges and faculty development, or to establish community outreach programs that will encourage elementary school and secondary school students to develop the academic skills and interest to pursue postsecondary education, among other uses. Priority for such grants shall be given to Asian American and Native American Pacific Islander-serving institutions with high numbers of financially needy students.

Sec. 305. Native American-serving, nontribal institutions

Section 305 authorizes a new grant program specifically for Native American-serving, nontribal colleges and universities. The Secretary of Education must provide grants of at least $200,000 for schools to improve their capacity to serve Native Americans. Grants may be used to fund the following types of activities: purchasing scientific or laboratory equipment, books, and other educational material; renovating classrooms, libraries, or other instructional facilities; and supporting faculty and curriculum development, tutoring and other student support services.

Provides, in order to be eligible for a grant, the institution may not be a tribal college or university and at least 10 percent of the undergraduate enrollment must be comprised of Native American students. Additionally, institutions that are eligible for or receive funds under section 318 would not be eligible to receive any additional funding, concurrently, under part A or part B of title III. This section waives the requirement in section 313(d), allowing eligible institutions to apply for new funding once the grant expires.

Sec. 306. Strengthening Historically Black Colleges and Universities

Section 306 includes technical changes including the use of grant aid for education or counseling services designed to improve financial literacy of students and their parents or for various academic student support services. Funds may also be used to acquire and develop property adjacent to colleges and universities.

The section also makes specific changes to the minimum allotment for grants under Part B. Additionally this section makes changes to the duration of grants for professional graduate institutions as well as includes new institutions named as designees under the Professional or Graduate Institutions program.

The following six universities are added to the list of qualified graduate programs: Alabama State University, Bowie State University, Prairie View A&M University, Delaware State University, Langston University, and the University of the District of Columbia.

Sec. 307. Endowment Challenge Grants

Section 307 amends current law to increase the amount of grant aid institutions may receive under this section. Additionally, the language allows the Secretary to provide technical assistance to institutions desiring a grant under this section.

Sec. 308. Limitations on Federal insurance for bonds issued by the designated bonding authority

Section 308 increases the aggregate principal amount of bonds that may be outstanding at any given time.

SUBPART 2—PROGRAMS IN STEM FIELDS

This subpart creates a new partnership grant program under Part E of title III.

Sec. 355. YES Partnerships grant program

Under section 355, the Secretary is authorized to make grants to eligible partnerships to support underrepresented minority youth

engagement in science, technology, engineering, and mathematics through outreach and hands-on, experiential-based learning projects that encourage underrepresented minority students to pursue careers in science, technology, engineering and mathematics.

Sec. 356. Promotion of entry into STEM fields

Section 356 includes language to allow the Secretary to enter into a contract with a firm to implement a campaign aimed at expanding the population of qualified individuals in science, technology, engineering, and math fields by encouraging young Americans to enter such fields.

Sec. 357. Evaluation and Accountability Plan

Section 357 requires the Secretary to develop an evaluation and accountability plan for projects funded under this subpart.

Sec. 310. Technical assistance

Section 310 allows the Secretary to provide technical assistance to institutions desiring a grant under this title.

Sec. 311. Waiver authority

Section 311 adds a new subsection to provide waiver authority to the Secretary for institutions affected by the Hurricanes in the Gulf coast region.

Sec. 312. Authorization of appropriations

Section 312 authorizes funding for the programs under title III and establishes minimum grant amounts.

Sec. 313. Technical corrections

Section 313 makes technical and conforming changes throughout title III.

TITLE IV—TITLE IV AMENDMENTS

PART A—PART A AMENDMENTS

Sec. 401. Federal Pell Grants

Amends section 401(b) to increase the authorized annual maximum Pell Grant award to $9,000 through academic year 2013–2014. Further amends section 401(b) by authorizing the Secretary of Education to provide up to two grants in a single award year for students seeking to enroll in additional academic sessions (e.g., summer sessions or year-round enrollment). Further amends the section to prohibit persons subject to an involuntary civil commitment after incarceration for a forcible or non-forcible sexual offense from receiving a Pell Grant. Makes a technical amendment to the mandatory funds provided under P.L. 110–84 to ensure that the funds are available for the same award period as are discretionary funds.

Amends section 401(c) to limit the period during which a student may receive a Pell Grant to the equivalent of eighteen semesters or twenty-seven quarters in duration (as determined by the Secretary). For students enrolled less than full-time, only the fraction of time enrolled shall count toward such duration limits. This limi-

tation only applies to students who first receive a Pell Grant on or after July 1, 2008.

Amends section 401A to make a number of changes to the eligibility requirements for Academic Competitiveness Grants (ACG) and National Science and Mathematics Access to Retain Talent (SMART) grants. The amendments expand eligibility for such grants to students who are in school on at least a half-time basis, clarify that eligible students enrolled in certificate programs of at least one year at two and four-year degree granting institutions are eligible for ACGs, and expand eligibility for National SMART grants to third and fourth year students who are enrolled at institutions that do not offer degrees in the subjects required to be eligible for a SMART grant (physical, life, or computer sciences, math, technology, engineering, or critical foreign language), but who have taken the required number of classes to gain such a degree at an institution that does grant degrees in eligible subject areas. Further, the section is amended to eliminate the citizenship requirement for grants under this section, thus enabling Pell-eligible noncitizens to receive ACG and SMART grants. Finally, it amends the process by which such grants are awarded.

Sec. 402. Federal TRIO Programs

Amends section 402A to clarify that community-based organizations with experience in serving disadvantaged youth are eligible to apply for and receive grants under this chapter. Further amends the section to establish that, except for staff training and development programs, awarded grants or contracts may be provided for a five-year period, and that the minimum amount awarded for a grant under this chapter shall be $200,000, except for staff training and development programs. For staff training and development programs, the grants may be provided for a two-year period, and the minimum grant awarded shall be $170,000. Further amends the section to make definitional changes and ensure that applicants for awards under this chapter identify services to foster care youth. Further clarifies that individuals who are homeless or unaccompanied youth (as defined in section 725 of the McKinney-Vento Homeless Assistance Act) are eligible to participate in the programs under this chapter.

Directs the Secretary to establish and use outcome criteria to measure the quality and effectiveness of the TRIO programs. Requires the criteria be disaggregated by low-income students, first generation college students, and individuals with disabilities. Requires outcome criteria to measure, where applicable, the delivery of service to a total number of students; the students' secondary school enrollment, graduation, and completion of a rigorous secondary school program of study; and the students' enrollment, retention, performance, and completion in an institution of higher education. The Secretary shall compare the results of the identified criteria to the targets that were agreed upon with the eligible entity, as established in the entity's application approved for funding. Further amends the section to allow applicants who were not funded for a program under this chapter to appeal the decision of the Secretary to an administrative law judge.

Further amends section 402A to clarify that a "different campus" is a site of an institution that is geographically apart from the

main campus of the institution, is permanent in nature, and offers courses leading to a degree, certificate, or other credential. Further, the term "different population" is defined as a group of individuals that is separate and distinct for any other population that the entity has applied for a grant to serve or that has distinct needs for specialized services. Also amends the section to define eligible veterans as those veterans who served on active duty for a period of more than 180 days, including members of a reserve component of the Armed Services who were called to active duty for a period of more than 180 days, or was a member of a reserve component who served on active duty in support of a contingency operation on or after September 11, 2001.

Amends section 402C to clarify that mathematics and science preparation are eligible services to provide to veterans to make the transition to postsecondary education. Further amends the section to restrict the Secretary's use of funds for the purposes of evaluating and selecting participants of the Upward Bound program.

Amends section 402E to include Native Hawaiians and Pacific Islanders as eligible participants for assistance in securing admission to and financial assistance for enrollment in graduate programs under the Postbaccalaureate Achievement Program.

Amends section 402H to revise the title to read "Reports, Evaluations, and Grants for Project Improvement and Dissemination." Directs the Secretary of Education to submit a report annually, and not later than two years after the participating entities submit their report to the Secretary, documenting the outcome data on the program's delivery of services, participating students' secondary and postsecondary school enrollment and completion, and academic performance. Reported data will be aggregated by individual project performance, include when appropriate descriptive, longitudinal, and multi-cohort data, and comparable data on the national population of low-income, first generation students and students with disabilities. Reports will provide national performance data with the primary purpose of identifying and highlighting best practices for increasing college access and persistence through implementation of the programs and improvement of program practices based on the outcome criteria outlined in section 402A. This section also specifies that the Secretary may not require an eligible entity that applies for assistance under this chapter to recruit students to serve as a control group in an evaluation and that the Secretary shall take into consideration the burden placed upon the program participants and eligible entity and the approval by the institution's institutional review board when designing an evaluation.

Sec. 403. GEAR UP Amendments

Section 403 amends section 404(a) to specify that students with disabilities are included (1) among eligible low-income students for whom the Secretary is authorized to establish programs to encourage eligible entities to provide or maintain a guarantee of the financial assistance necessary to permit such students to attend an institution of higher education and (2) among students for whom the Secretary is authorized to support eligible entities in providing additional counseling, mentoring, academic support, outreach, and supportive services to students who are at risk of dropping out of school.

In addition, the section amends section 404A(b) to eliminate the current law priority for eligible entities that had previously carried out programs under chapter 2 prior to the Higher Education Amendments of 1998. This section requires the Secretary of Education to give priority to eligible entities that carried out successful educational opportunity programs under this chapter (as this chapter was in effect on the day before the date of enactment of the College Opportunity and Affordability Act of 2007) and that have a prior demonstrated commitment to early intervention leading to college access through collaboration and replication of successful strategies; and ensures that students served under this chapter on the day before the date of enactment of the College Opportunity and Affordability act of 2007 continue to receive assistance through the completion of secondary school.

The section also provides that the Secretary may award a grant under this chapter to an eligible entity for seven years.

The section also amends section 404B(g) to require that certain eligible entities provide the option of continued services to program participants beyond the 12th grade and through a student's first year of attendance at an institution of higher education, and provide services to students who have received services under a previous GEAR UP grant award but have not yet completed the 12th grade. The section also requires eligible entities receiving grants under the chapter to provide comprehensive counseling, activities and information to participating students regarding the transition to college or postsecondary education through continuity of services to support students in and through the first year of attendance at an institution of higher education. Further, the section expands the authorized uses of funds to include providing eligible students with a continuing system of mentoring and advising through their first year of attendance at an institution of higher education as well as special programs or tutoring in science, technology, engineering, or mathematics. The section also provides that certain eligible entities may consider as priority students those in their first year of attendance, students in foster care, or homeless youth. Additionally the section provides eligibility entities with additional flexibility in meeting required matching fund requirements by allowing entities to count as matching funds those accrued over the full duration of the grant award period, provides that, in limited cases, an entity may request a reduced match percentage, and provides incentives for entities to provide students with financial assistance. In addition, with respect to methods for complying with matching requirements, the section provides that eligible entity may count toward the matching requirement financial assistance obligated to students from state, local, institutional, or private funds under the chapter and also clarifies other resources that may be counted toward matching requirements.

The section also expands authorized uses of funds for purposes of early intervention by allowing eligible entities to provide financial literacy and economic literacy education or counseling to students, fostering and improving parent and family involvement in elementary and secondary education, engaging other entities in a collaborative manner to provide matching resources and participate in other authorized activities, disseminating information that promotes the importance of higher education, explains college prepara-

tion and admission requirements, and by providing technical assistance to middle schools, secondary schools or eligible partnerships.

The section also amends section 404E to provide that scholarships provided for under the program are to supplement aid for which students are regularly eligible and provides that the minimum amount of a scholarship that an eligible student may receive under this section shall not be less than the lesser of (1) the minimum federal Pell Grant funded under section 401 for the applicable fiscal year or (2) 75 percent of the average cost of attendance for an in-state student in a four-year program of instruction at public institutions of higher education in such state, as determined in accordance with regulations prescribed by the Secretary. Also, the section authorizes $400,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

Sec. 404. Academic Achievement Incentive Scholarships

Repeals chapter 3 of subpart 1 of part A of title IV.

Sec. 405. Federal Supplemental Educational Opportunity Grants

Amends section 413A to authorize the program at $875,000,000 for fiscal year 2009 and such sums as are necessary for the next four fiscal years. Amends section 413D to increase the allowance of books and supplies used to compute the average cost of attendance from $450 to $600.

Sec. 406. Grants for access and persistence

Amends section 415A to extend the authorization of the Leveraging Educational Assistance Partnership Program.

Amends section 415C to change the maximum amount allocated by states for an individual student grant from a maximum of $5,000 per academic year to the lesser of $12,500 per academic year or the student's cost of attendance. Require states to notify eligible students that aid is from Leveraging Educational Assistance Partnership grants and funded by the federal government and the state.

Rewrites section 415E. The title for section 415E, "Special Leveraging Educational Assistance Partnership Program" is revised to read "Grants for Access and Persistence." The purpose of this section is to increase college access and persistence by making states allotments to: expand and enhance partnerships with institutions of higher education and private organizations in order to provide additional need-based grants to eligible low-income students; provide early notification of eligibility for financial aid; and encourage participation in early information, intervention, and other outreach programs.

States desiring an allotment must submit an application to the Secretary of Education. The application must describe the state's plan for using the funds and the organizational structure in place to administer the various activities and assure that the state provides the matching funds and that early information, intervention, and other outreach programs exist or will exist. State agencies must apply for an allotment in partnership with the following organizations or entities: at least one private and one public college or university located in the state, if applicable; early information,

intervention, and other outreach programs located in the state; and at least one philanthropic organization or private corporation.

The amount of the federal share is determined by the percentage of full-time students enrolled in the state's partnership colleges and universities in comparison to the total number of students attending institutions of higher education in the state. The federal share is 57 percent if enrollment in the state's partnership schools represents less than a majority of all students attending colleges and universities. The federal share is 66.66 percent if enrollment in the state's partnership schools represents a majority of all students attending colleges and universities in the state.

Each state receiving an allotment must use funds toward the overall partnership to award grants for eligible low-income students. States must annually notify low-income students in grades seven through twelve of their potential eligibility for financial assistance. To be eligible to receive a grant, students must meet at least two of the following criteria: have an expected family contribution of zero; qualify for a free or reduced price lunch; qualify for the state's maximum undergraduate award; or participate in early information, intervention, or other outreach programs. Students would receive a grant for each year of their undergraduate education, as long as they remained financially eligible and meet the state's degree completion time limits.

Section 407. Special programs for students whose families are engaged in migrant and seasonal farmwork

Section 407 amends section 418A to expand the services provided by the college assistance migrant program to include internships, transportation, and child care. Program follow-up services with students, after they complete their first year of college, may include encouraging students to transfer from two-year to four-year institutions of higher education. This section also expands eligibility for the recruitment services authorized under this program to children who have immediate family members who have spent at least 75 days over the past 24 months in migrant and seasonal farmwork; current law only covers children who themselves or whose parents have spent such time in migrant and seasonal farmwork. This section also requires the Commissioner of Education Statistics to annually collect data about persons receiving services under this part, including rates of secondary school graduation, entrance into postsecondary education, and completion of postsecondary education. At least every 2 years, the Commissioner shall prepare and submit a report containing this data, which shall be made available to the public. The high school equivalency program and the college assistance migrant program are each reauthorized for such sums as may be necessary in fiscal year 2009 and each of the four succeeding fiscal years. The Secretary of Education shall allocate an amount no greater than $180,000 for each project under the high school equivalency program or the college assistance migrant program. No more than 0.5 percent of funds made available for the projects may be used for outreach activities, technical assistance, and professional development programs.

Sec. 408. Robert C. Byrd Honors Scholarship Program

Amends subpart 6 of part A by rewriting the subpart. Section 419A authorizes the Robert C. Byrd Mathematics and Science Honors Scholarship Program. States the purposes of the section and defines the terms "Computer Science," "Eligible Student," "Engineering," "Life Sciences," "Managing Agent," "Mathematics," and "Physical Sciences."

Authorizes the Secretary to make a five-year award to a private, non-profit organization to manage a program of Mathematics and Science Honors Scholarships under this section. Outlines requirements for the federal contribution to the scholarships and the maximum scholarship award. Permits the Secretary to establish eligibility criteria and operational standards for the managing agent, and review and revise those criteria as necessary. Permits the Secretary to terminate the agreement if the managing agent fails to meet the requirements and requires the Secretary to conduct outreach efforts to raise awareness of the scholarships. Outlines (1) the duties of the managing agent; (2) the requirements for submitting an application; (3) several responsibilities of students for receiving and maintaining a scholarship; (4) the responsibilities of institutions of higher education.

Section 419B authorizes the Mathematics and Science Incentive Program. Authorizes the Secretary to carry out a program of assuming the obligation to pay, pursuant to the provisions of this section, the interest on a loan made, insured, or guaranteed under parts B and D of title IV. Outlines the eligibility criteria for the program. Outlines limitations on the obligations the Secretary is permitted to assume. Outlines the responsibilities of the Secretary in selecting program participants. Subjects the payment of interest under this section to the availability of appropriations. Outlines the period during which the Secretary is required to pay interest on behalf of the borrower. Requires the Secretary to pay to each eligible lender or holder for each payment period the amount of interest that accrues on a loan. Outlines the application procedures for eligible borrowers. Defines criteria for including a consolidation loan in this program. Prohibits the receipt of benefits under this program and several others. Defines the terms "High Need Local Educational Agency" and "Mathematics, Science, or Engineering Professional."

Section 419D authorizes $50,000,000 for this subpart for fiscal year 2009 and such sums as may be necessary for each of the four succeeding years.

Sec. 409. Child care access means parents in school

Amends section 419N to set the minimum grant level at $30,000. Further amends the section to decrease the minimum total amount of federal Pell Grant funds awarded to students attending an institution in order for an institution to be eligible for the program to $250,000 from $350,000. Further amends the section to clarify that students who have income that qualifies them for eligibility for the Pell Grant are eligible to receive assistance under this section, and to direct the Secretary to publicize the availability of grants under this section, including in appropriate periodicals and to appropriate educational organizations. Also, amends the section to extend the authorization to 2013.

Sec. 410. Learning Anytime Anywhere Partnerships

Repeals subpart 8 of part A of title IV.

Sec. 411. TEACH Grants

Amends subpart 9 of part A of title IV to make technical and conforming changes. Inserts a new section 420P to direct the Secretary to evaluate the effectiveness of the TEACH grant program. Through this evaluation, the Secretary shall, at a minimum, take into consideration: the number of TEACH grant recipients; the gender, race, ethnicity, and age of such recipients; the degrees obtained by such recipients; the location (including the school, local educational agency, and state) of where the recipients completed the service requirement and the subjects taught by such recipient; and the duration of service by grant recipients.

PART B—FEDERAL FAMILY EDUCATION LOANS

Sec. 421. Limitations on amounts of loans covered by federal insurance

Amends section 424(a) to extend federal insurance on student loans to 2013. Further amends section 424(a) to extend federal insurance on student loans for students who have other loans under this part and are continuing their education through 2017.

Sec. 422. Federal interest subsidies

Amends section 428(a) to continue the authorization for the guaranteed loan program. Further amends section 428(a) to extend the authorization on student loans for students who have other loans under this part and are continuing their education through 2017.

Sec. 423. Student loan information

Amends section 428(k) by adding a new paragraph that requires a lender, secondary market, holder, or guaranty agency to provide upon request, free of charge and in a timely and effective manner, any student loan information pertaining to loans made under title IV to an institution of higher education, or a third party servicer working on behalf of such an institution to prevent student loan defaults, provided that the requested information concerns borrowers who currently attend or previously attended the institution. Provides that an institution or third party servicer obtaining access to student loan information shall safeguard that information in order to prevent potential abuses of the information, including identify theft. Further provides that any third party servicer shall (1) only use the information in a manner directly related to the default prevention work the servicer is performing on behalf of an institution, (2) not sell the information to other entities, (3) not share the information with, or transfer the information to, entities other than the borrower or the institution of higher education on whose behalf the third party servicer is working, and, (4) be subject to any regulations established by the Secretary pursuant to section 432 concerning the misuse of such information, including any penalties for misuse.

Sec. 424. Consolidation loan disclosure

Section 424 requires lenders to disclose in a clear and conspicuous manner to borrowers who seek to consolidate Federal Perkins loans made under part E of title IV that once a borrower adds the borrower's Federal Perkins loan to a consolidation loan, the borrower will lose all interest-free periods that would have been available for such loan and will no longer be eligible for cancellation of part or all of a Federal Perkins loan under section 465. The section also requires lenders to disclose in detail the occupations listed in section 465 for which the borrower will lose eligibility for Federal Perkins loan cancellation.

Sec. 425. Loan forgiveness for service in areas of national need

Rewrites section 428K to amend the Loan Forgiveness for Child Care Providers program. Renames the program the Loan Forgiveness for Service in Areas of National Need program. Outlines the purposes of the section. Authorizes the Secretary to assume the obligation to repay a qualified loan amount for a loan made, insured, or guaranteed under this part or part D (excluding an excepted PLUS loan, as such term is defined in section 493C(a)) by a borrower who has been employed full-time for a school, academic, or calendar year in an area of national need, and is not in default on a loan for which the borrower seeks forgiveness. Borrowers may receive up to $2,000 annually and $10,000 total in forgiveness under this section. Forgiveness is awarded on a first-come, first-served basis subject to the availability of appropriations.

Identifies the areas of national need as: Early childhood educators; nurses; foreign language specialists; librarians, highly qualified teachers serving students who are limited English proficient, in low-income communities, or who is an individual from an underrepresented population in the teaching profession (including minority male teachers); child welfare workers; speech-language pathologists; national service participants; school counselors; public sector employees (individuals employed in public safety—including as a first responder, firefighter; police officer or other law enforcement or public safety officer; emergency management—including as an emergency medical technician; public health—including health care practitioners and individuals employed in health care support occupations (as such terms are defined by the Bureau of Labor Statistics); and those employed in public interest legal services—including prosecutors, public defenders, or legal advocates in low-income communities at a nonprofit organization); nutrition professionals; medical specialists; and mental health professionals.

Prohibits a borrower from receiving a benefit for the same service under both this section and subtitle D of title I of the National and Community Service Act of 1990. Prohibits a borrower from receiving a reduction of loan obligations under both this section and sections 428J or 460. Defines the terms Early Childhood Educator, Eligible Preschool Program, Eligible Early Childhood Education Program, Low-Income Community, Nurse, and Speech-Language Pathologist. Authorizes such sums as may be necessary for fiscal years 2009–2013.

Sec. 426. Loan repayment for civil legal assistance attorneys

Amends Part B of title IV by adding a new section 428L that provides for loan repayment benefits to encourage qualified individuals to enter and continue employment as civil legal assistance attorneys. Defines the term "civil legal assistance attorney" to mean an attorney who is a full-time employee of a nonprofit organization that provides legal assistance with respect to civil matters to low-income individuals without a fee, and as an employee provides civil legal assistance on a full-time basis, and is continually licensed to practice law. Defines the term "student loan" as a loan made, insured, or guaranteed under part B, D, or E of title IV, as well as a loan made under section 428C or 455(g), to the extent that such loan was used to repay a (1) Federal Direct Stafford Loan, Federal Direct Unsubsidized Stafford Loan, or Federal Direct PLUS loan, (2) a loan 122 made under section 428, 428B, or 428H, or (3) a loan made under part E. The section authorizes the Secretary to assume the obligation to repay a student loan for any borrower who is employed as a civil legal assistance attorney and is not in default on a loan for which the borrower seeks repayment. Provides that a borrower seeking such repayment will enter into a written agreement with the Secretary that specifies a borrower will remain employed as a civil legal assistance attorney for a period of service of not less than three years and that the repayment amount paid by the Secretary on behalf of a borrower shall not exceed $6,000 for any borrower in any calendar year or an aggregate total of $40,000 in the case of any borrower. Stipulates that the Secretary will provide, subject to appropriations, repayment benefits on a first-come, first-served basis with priority given to a borrower who (1) has practiced law for five years or less and, for at least 90 percent of the time in such practice, has served as a civil legal assistance attorney, (2) received repayment benefits under this section during the preceding fiscal year, and (3) has completed less than three years of the first required period of service specified for the borrower in an agreement entered into with the Secretary. The section further authorizes to be appropriated $10,000,000 for fiscal year 2009 and such sums as may be necessary for each of the four succeeding fiscal years.

Sec. 427. Settlement of claims

Amends section 432(c) to require the Secretary to ask for the Attorney General to review the terms of any proposed settlement exceeding $1,000,000 prior to agreeing to any such settlement.

Sec. 428. Delinquency prevention, default aversion, and consumer education information programs

Section 428 amends Part B of title IV by inserting a new section 433A "Delinquency Prevention, Default Aversion, and Consumer Education Information Programs." Under the section, guaranty agencies are required to develop specific programs designed to prevent delinquencies and avert defaults with respect to loans insured by the agency. In particular, guaranty agencies shall develop and make available high quality educational programs and materials to provide training for students and families in budgeting and financial management, including debt management and other aspects of financial literacy, such as the cost of using high interest loans to

pay for postsecondary education. Such programs and materials are required to address budgeting and financial management relating to student loans, and be made available to students and families in a form and language that is understandable, before, during, and after the students' enrollment. The section also provides that nothing in the section shall be construed to prohibit a guaranty agency from using existing activities, programs, and materials in meeting the requirements of the section.

Sec. 429. Definition of eligible lender

Amends section 435(d)(1)(A)(ii) to include as an eligible lender a National or State charted bank with assets of less than $1,000,000,000 and which has as its primary consumer credit function the making or holding of loans made to students under Part B of title IV.

Sec. 430. Cohort default rates

Amends section 435(m) to lengthen the period of time used in calculating cohort default rates by an additional year and provides that any loan which has been rehabilitated before the end of the time period used in calculating cohort default rates shall not be considered as in default for purposes of this subsection. The section further requires the Secretary to collect and report cohort default rates and life of cohort default rates for each category of institution, including four-year public institutions, four-year private institutions, two-year public institutions, two-year private institutions, four-year proprietary institutions, two-year proprietary institutions, and less than two-year proprietary institutions. Further, the section defines life of cohort default rate, for any fiscal year in which one or more current and former students at an institution enter repayment on loans 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 consolidation loan that is used to repay any such loan) received for attendance at the institution in that fiscal year who default before the end of each succeeding fiscal year.

Sec. 431. Disability determinations

Amends section 437(a) by adding that for purposes of repayment by the Secretary of loans of disabled borrowers, a borrower who receives a permanent total disability rating from the Secretary of Veterans Affairs, and who provides documentation of such rating 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 purpose of this subsection.

PART C—COLLEGE WORK/STUDY

Sec. 441. Reauthorization

Section 441 increases the authorization level for the College Work Study program and extends the authorization of the program. This section also allows funds under work study to be used

for activities that respond to the needs of a community during natural disasters.

Sec. 442. Additional funds for off-campus community service

Section 442 provides authority to the Secretary to award grants to institutions of higher education to supplement off-campus community service employment. Under this section, priority is given to applications that support activities related to early childhood education and in preparation for and during emergencies and natural disasters.

Sec. 443. Work Colleges

Section 443 emphasizes the importance of service in work-colleges. It amends the work-colleges section throughout to change comprehensive work-learning programs to comprehensive work-learning-service programs. Comprehensive work-learning-service programs are defined as student work-learning-service programs that, among other requirements, are an integral and stated part of the institution's educational philosophy and program; require participation of all resident students for enrollment and graduation; include learning objectives, evaluation, and a record of work performance as part of the student's college record; and includes consequences for non-performance or failure in the work-learning-service program similar to the consequences for failure in the regular academic program.

This section also adds to authorized activities under this section the support of existing and new model student volunteer community service projects associated with local institutions of higher education. It also limits the definition of work-colleges to four-year, degree-granting institutions. Such schools must require all resident students, including at least one half of resident students who are enrolled on a full-time basis, to participate in a comprehensive work-learning-service program for not less than five hours each week, or not less than eighty hours during each period of enrollment except summer school.

PART D—FEDERAL DIRECT STUDENT LOANS

Sec. 451. Reauthorization

Section 451 amends section 458(a) to extend the authorization of the program to 2013.

Sec. 452. Public service job definition

Section 452 amends 455(m) by further clarifying the jobs to be considered under the definition of public service.

Sec. 453. Identity fraud protection

Section 453 amends section 455 by adding a new subsection that requires the Secretary to ensure that monthly direct loan statements, do not contain the four digits of the social security number of an individual.

Sec. 454. Direct loan program audit and reporting requirements

Section 454 requires the Secretary to perform an audit of the William D. Ford Direct Loan Program.

PART E—PERKINS LOANS

Sec. 461. Extension of authority

Section 461 authorizes $350 million for fiscal year 2009 and the succeeding four fiscal years.

Sec. 462. Allowance for books and supplies

Section 462 increases the allowance for books and supplies from $450 to $600.

Sec. 463. Agreements with institutions

Section 463 amends provisions concerning the collection of Perkins loans to include an option for the collection by the Secretary. This section also includes a limitation on the Secretary to require the assignment of loans to the Secretary.

Sec. 464. Perkins loan terms and conditions

Section 464 increases the loan amount a student may receive under Perkins. Additionally, this section amends the provisions with respect to forbearance of a Perkins loan.

Sec. 465. Cancellation for public service

Section 465 adds to the list of those service occupations eligible for Perkins loan cancellation the following: (1) full-time staff members in a pre-kindergarten or child care program that is licensed or regulated by the state (in addition to Head Start), (2) a full-time firefighter, (3) full-time faculty members at Tribal Colleges and Universities, (4) librarians with a master's degree in library science who are employed in an elementary or secondary school that is eligible for assistance under title I of Elementary and Secondary Education Act or in a public school library that serves a geographic area that contains one or more title I eligible schools, and (5) full-time speech language therapists with a master's degree working exclusively with schools that are eligible for assistance under title I of the Elementary and Secondary Education Assistance Act.

This section also makes a technical change with regard to service for full-time teachers.

PART F—NEED ANALYSIS

Sec. 471. Cost of attendance

Amends section 472 to state that the room and board allowance for students who live in housing located on a military base or for which basic allowance is provided for under section 403(b) of title 37 of United States Code shall only be based on the expenses incurred by such students for board, and shall not include the expenses incurred by such students for room.

Sec. 472. Discretion to make adjustments for nursing home expenses

Amends section 479A to include nursing home expenses as one of the items taken into consideration by financial aid administrators as a special circumstance when making adjustments, on a case-by-case basis, to the financial aid award for individual students.

Sec. 473. Definitions

Amends section 480 to define total income for dislocated workers as the estimated adjusted gross income plus estimated untaxed income minus the estimated excludable income for the current tax year. Further amends section 480(b) to exclude from the definition of untaxed income the value of on-base military housing or the basic allowance for housing determined under section 403(b) of title 37 of the United States Code received by the parent in the case of a dependent student or by the student or student's spouse in the case of an independent student. Amends section 480(j) to state that for the purposes of determining the estimated financial assistance received from non-title IV sources, for the first year that a student receives veterans' education benefits under chapter 30 of title 38, such benefits shall be calculated by subtracting from the total veterans' benefit received the amount that such student's basic pay was reduced in order to receive such veterans' benefits. This section will be effective on July 1, 2009.

PART G—GENERAL PROVISIONS

Sec. 481. Compliance calendar

Amends section 482 by adding a new subsection to direct the Secretary to provide institutions of higher education a list of all reports and disclosures required under this Act prior to the beginning of each award year. Such a list shall include: the date each report is due, the required recipients, the method of transmission, a description of the contents of the report, references to the statutory authority, regulations, and current guidance, and any other information as the Secretary may require.

Sec. 482. Improvements to paper and electronic forms and processes

Amends section 483 to establish common financial aid forms and processing that are developed in cooperation with representatives of agencies and organizations involved in student financial assistance. These forms shall be produced, distributed and processed free of charge and made available to applicants in both paper and electronic formats and referred to as the "Free Application for Federal Student Aid" or "FAFSA". The Secretary shall permit an applicant to complete a FAFSA form in the years prior to postsecondary enrollment to obtain from the Secretary a non-binding estimate of the applicant's expected family contribution. The Secretary shall also develop, field test, and implement a simplified paper application form, to be known as the "EZ FAFSA " to be used by families who have a zero expected family contribution or who are eligible for the simplified needs test. The Secretary shall include on the EZ FAFSA any data that is required by states, provided the state permits its applicants to use the EZ FAFSA for state assistance, and publish annually in the Federal Register a request for states to inform the Secretary of questions they need on the FAFSA to gather information relevant to state programs. All information on the FAFSA shall be available to institutions of higher education, guaranty agencies, and states.

The Secretary is encouraged to significantly reduce the number of data elements required to be entered by all applicants, with the goal of reducing such number by 50 percent. Further, the Secretary

shall permit an electronic form to be submitted without a signature if a signature is subsequently submitted or if the applicant uses a personal identification number (PIN) provided by the Secretary. The Secretary shall implement a realtime data match between the Social Security Administration and the Department to minimize the time required for an applicant to obtain a PIN. The Secretary shall also develop a streamlined reapplication form and process, including both paper and electronic versions for an applicant who applies for financial assistance in succeeding academic years. In the reapplication process, families determined to have a zero family contribution shall not be required to provide any financial data.

Further amends the section to authorize an early application and award demonstration program, in order to determine the feasibility of implementing a comprehensive early financial aid application and notification system for all dependent students and to measure the benefits and costs of such a system. This demonstration program shall enable dependent students who wish to participate 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 based on this application, to obtain an estimate of the students' financial aid award and update and receive final financial aid award information in the year prior to such students' planned year of enrollment. The Secretary of Education shall conduct a rigorous evaluation of this demonstration program to measure the program's benefits and adverse effects. Such an evaluation shall include, among other factors, an identification of the feasibility of enabling dependent students to apply for federal, state, and institutional financial aid in their junior year of high school by completing the forms identified in this section; whether receiving financial aid awards or 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 educational aspirations of the student; the extent to which using a student's income information from years prior to the student's planned enrollment date had an impact on the ability of states and institutions to make financial aid awards and commitments; and identify the benefits and adverse effects of providing early awards or estimates on program costs, program operations, program integrity, award amounts, distribution, and delivery of aid.

Amends section 482(a) to include the publication of state requirements in the master calendar. Requires the Secretary to, not later than one year after the date of enactment, develop a model institution financial aid offer form that presents in a consumer-friendly manner the student's cost of attendance, the amount of financial aid that the student does not have to repay (for example, scholarships and grants) and the terms under which such aid is renewable, the amount of work-study assistance the student is eligible to receive, the amount and terms of student loans that the student and their parents are eligible for, the difference between the cost of attendance at the institution of higher education and the financial aid offered, and where a student or a student's parent may seek additional information regarding financial assistance. The Secretary shall develop this form in consultation with representatives of key constituencies, including students, parents, financial aid administrators, and consumer groups.

Sec. 483. Increasing access to technology

Amends section 483 to direct the Secretary to use any savings from moving more applicants from submitting paper forms to electronic forms to increase access to such electronic forms for students who meet the eligibility of the "auto-zero" or "simplified needs test" requirements (section 479(b) or (c)).

Sec. 484. Sense of the Congress; Report

States that it is the sense of the Congress that the Secretary of Education and the Secretary of the Treasury should work together to develop a process by which the Department of Education will, with the aid applicant's permission, draw income information directly from the Internal Revenue Service for the purpose of completing the FAFSA form (including the EZ FAFSA and FAFSA renewal applications) in order to simplify the FAFSA, ease the burden of application on students and families, increase the efficiency and accuracy of financial aid applications, reduce the need for further verification of aid applications, and protect the security, privacy and safety of all data. Further, directs the Secretary of Education to report to Congress within one year of the date of enactment of the College Opportunity and Access Act the progress of devising the process described in the sense of the Congress and inform the Congress of any necessary statutory changes to increase the efficiency and effectiveness of the FAFSA.

Sec. 485. Student eligibility

Amends section 484(a) and section 484(j) to ensure that students attending institutions of higher education who are citizens of the Republic of Palau are eligible to receive financial assistance under this Act.

Amends section 484(l) to specify that students enrolled in programs that lead to a recognized certificate, or associate, baccalaureate, or graduate degrees, that are offered principally through distance education shall not be considered to be enrolled in correspondence courses.

Amends section 484(r) to allow students convicted of a drug offense to be eligible to receive federal financial aid if the student successfully passes two unannounced drug tests conducted by an approved drug rehabilitation program. Further amends section 484(r) to ensure that institutions of higher education provide a separate, clear, and conspicuous written notice to students upon enrollment that advises them of the penalties under this subsection.

Inserts section 484(s) to allow students with intellectual disabilities to be eligible to receive financial assistance under this Act, even if they are enrolled in non-degree programs. To qualify for grants or work assistance under section 401, subpart 3 of part A, or part C of this title, such student shall be an individual with an intellectual disability whose significant cognitive impairment substantially impacts the individual's intellectual and cognitive functioning. The student must be enrolled or accepted for enrollment in a comprehensive transition and postsecondary education program that is designed for such students to continue academic, vocational, and independent living instruction at the institution in order to prepare for gainful employment and independent living, among other requirements.

Inserts section 484(t) 'Data analysis on access to federal student aid for certain populations,' to require the Secretary to analyze, and report to Congress, data from the FAFSA with respect to information on the number, characteristics, and circumstances of students denied federal student aid based on drug convictions while receiving federal student aid.

Sec. 486. Assessment of costs and other charges

Amends section 484A(b) to determine that institutions of higher education shall not be subject to a claim of infancy defense raised by a borrower for the purposes of the Perkins loan program.

Sec. 487. Readmission requirements for servicemembers

Amends section 484B(a)(2) by adding a new subparagraph that requires institutions of higher education to submit to the Secretary a statement justifying any policy that the institution may have that requires a student who is a member of the Armed Forces, including members of the National Guard or other reserve component, who is on active duty, or is called or ordered to active duty and whose attendance at as such institution is interrupted by such active duty to apply for readmission to such institution after the conclusion of such active duty.

Sec. 488. Institutional and financial assistance information for students

Amends section 485(a)(1) by inserting a new subparagraph to require institutions of higher education to disclose institutional policies and sanctions regarding copyright infringement, including a disclosure that informs students that unauthorized distribution of copyrighted material may subject students to civil and criminal liabilities, includes a summary of the penalties for violating federal copyright laws, a description of the institution's policies with respect to unauthorized peer-to-peer file sharing, and a description of the actions that the institution takes to prevent and detect unauthorized distribution of copyrighted material.

Amends section 485(f) to state that only institutions of higher education in the United States need to report on crime statistics. Further amends the specific criminal offenses to be reported in order to make institutional reporting to the Department of Education consistent with reporting required by the Federal Bureau of Investigations. The section is further amended to direct the Secretary to annually report to the authorizing Congressional committees, institutional compliance with this subsection and provides that the Secretary may seek the advice and counsel of the Attorney General in developing and disseminating best practices information about campus safety and emergencies. Specifically prohibits retaliation against any individual by an institution of higher education or officer, employee, or agent of the institution for the purposes of interfering with the implementation of any provision under this subsection because the individual testified or otherwise participated in an investigation, proceeding or hearing.

Inserts a new subsection to 485 that requires each institution of higher education that participates in programs under title IV to publicly disclose the institution's transfer of credit policy that includes any criteria the institution uses regarding the transfer of

credit earned at another institution of higher education and a list of institutions with which the institution has established an articulation agreement. Provides that nothing in this subsection is intended to authorize the Secretary of Education or the National Advisory Committee on Institutional Quality and Integrity to require particular policies or practices by institutions of higher education, authorize an officer or employee of the Department of Education to exercise direction or control over an institution's curriculum, program of instruction, or administration or over any accrediting body, limit the application of the General Education Provisions Act, nor create a legally enforceable right for a student to require an institution of higher education to accept a transfer of credit from another institution.

Further amends section 485 to insert a new subsection that requires institutions of higher education to publish annually a fire safety report on on-campus student housing with respect to campus fire and safety practices, including statistics concerning the number and cause of fires in each on-campus student housing facility, as well as the injuries related to such fires that result in medical treatment, the number of deaths related to a fire, and the value of property damage caused by a fire; a description of each on-campus student housing facility fire safety system; the number of regular mandatory supervised fire drills; policies or rules on procedures for evacuation, fire safety education and training programs, among other policies; and plans for future improvements in fire safety. The Secretary shall make these statistics available to the public. The Secretary shall also, in coordination with nationally recognized fire organizations and representatives of institutions of higher education, associations of institutions of higher education, and other relevant organizations, identify exemplary fire safety policies, procedures, programs, and practices, and make information concerning those policies, procedures, programs and practices that have been effective available to the public. Each institution of higher education to maintain a log regarding all fires in on-campus student housing facilities, and make annual reports to the campus community on such fires.

Inserts a new subsection that requires institutions of higher education to include on the form required for registration or enrollment an item in which the student can identify an individual they wish the institution to contact if the student is reported missing. Further, institutions are required to establish protocols for missing students that any missing person report related to a student be referred to the institution's police or campus security department and that if the student has been missing for more than twenty-four hours, the institution shall contact the individual identified by the student or the parent of the student if the student is under eighteen years of age.

Sec. 489. Articulation agreements

Inserts a new section 486A to direct the Secretary to carry out a program for states, in cooperation with public institutions of higher education, to develop, enhance, and implement comprehensive articulation agreements at institutions within a state and, to the extent practicable, across state lines by 2010. Such articulation agreements should be made widely and publicly available on

websites and application materials. States and institutions may employ effective strategies when developing such articulation agreements, including common course numbering, adoption of a general education core curriculum, and developing and enhancing articulation agreements that include both public and private institutions of higher education. The Secretary is directed to provide technical assistance to states and institutions in carrying out this section. This section is to encourage and strengthen articulation agreements between institutions, particularly between institutions contained in a state system, and nothing in this section is intended to limit the academic freedom of any institution of higher education.

The section further requires that the Secretary conduct a study to review the articulation agreements at state-based college and university systems (including junior and community colleges), as well as those at other institutions of higher education. The Secretary shall consider the extent to which states and institutions have implemented such agreements, the best practices and innovative strategies employed to implement such agreements, and the barriers to implementation. Further, the study shall identify the number and type of institutions participating in articulation agreements, the cost savings to the institutions and to the students, what particular strategies are being employed, the effective use of technologies to contain cost, maintain quality of instruction, and inform students, and, to the extent practicable, a description of the students to whom the articulation agreements are offered and who take advantage of the agreements. The Secretary shall submit the study's interim findings not later than two years after the date of enactment of the College Opportunity and Affordability Act of 2007, and final findings not later than January 1, 2013.

The section defines the term "articulation agreement" as an agreement between two or more institutions of higher education that specifies the acceptability of courses in transfer toward meeting specific degree requirements.

Sec. 490. Program participation agreements

Amends section 487(a) by inserting a new subparagraph (D) in paragraph (23) to clarify that an institution is permitted to provide voter registration material electronically via the form itself or with information and a link to the forms accepted in the institution's state.

Adds an additional subparagraph (24) that requires institutions that have entered into preferred lender arrangements to compile, maintain, and make available for students attending the institution and the parents of such students a list of the lenders for educational loans that institutions recommend, promote, or endorse in accordance with its preferred lender arrangement. Requires the institution to clearly and fully disclose on such list (1) the information required under section 153, (2) why the institution has entered into a preferred lender arrangement with each listed lender and, (3) that students attending the institution, or the parents of such students, do not have to borrow from a listed lender. The subparagraph also requires that such lists contain no fewer than three unaffiliated lenders of loans made under part B and not less than two unaffiliated lenders of private educational loans. Further, institu-

tions must disclose the method and criteria used in selecting lenders and ensure that such lenders are selected on the basis of the benefits provided to borrows and exercise a duty of care and a duty of loyalty to the students attending the institution in compiling the list and not deny or otherwise impede borrowers' choice of a lender or cause unnecessary delays in loan certification for those borrowers who choose a lender that has not been recommended, promoted, or endorsed by the institution. The subparagraph also provides that the Secretary shall maintain and update a list of lender affiliates for institutions' use.

Further amends the section by adding a subparagraph (25) that requires institutions of higher education to annually report to the Secretary data on the number and percentage of students taking classes through distance education, both in whole and in part, the number and percentage of courses that are offered by the institution that are offered through distance education. Inserts a subparagraph (26) to require institutions, within one year of the date of enactment of this Act, to disclose to an alleged victim of any crime of violence or non-forcible sex offense, the final results of any disciplinary proceeding. If the victim is deceased, that information is required to be disclosed to the victim's next of kin.

Amends section 487 by inserting a new subparagraph (27) requiring that a proprietary institution of higher education have not less than 10 percent of its revenues from sources other than funds provided under title IV. Further provides for a new subsection (f) to implement the non-title IV revenue requirement. Outlines how the 10 percent established in section 487(a)(27) must be calculated. States that an institution that fails to meet the requirement in section 487(a)(24) for two consecutive years will become ineligible to participate in the title IV programs for at least the three fiscal years following the fiscal year the institution becomes ineligible. Also outlines sanctions the Secretary shall impose on an institution that fails to meet the requirement in any given year. Requires the Secretary to identify on the College Navigator website any institution that fails to meet the requirements of section 487(a)(27) in any year. Also requires the Secretary to annually provide to the authorizing committees a report that contains, for each institution subject to the requirement of subsection (a)(27), the result of the calculation of revenue performed by each such institution pursuant to subsection (a)(27).

Inserts a new subparagraph (28) to require institutions to establish a policy, which may include a forensic scrub, on the disposal or disposition of all technology assets which may have personal data of such institution's students.

Amends section 487(c) to permit the Secretary to modify the audit requirements for foreign schools, and to waive the requirements for foreign institutions with loan volumes under $500,000. Further amends the section to provide that any institution that undergoes an audit under clause (i) and more than 5 percent of such institution's students receive financial assistance under section 484(d) must also undergo an additional review to ensure compliance with regulations prescribed by the Secretary under 484(d).

Sec. 491. Regulatory relief and improvement

Amends section 487A(b) to maintain the quality assurance programs and the experimental sites. The Secretary has the authority to establish additional experimental sites in addition to maintaining the existing sites if the institution wishes to continue participation. This section requires the Secretary to review and submit a biennial report to the authorizing Congressional committees on the experience of institutions participating as experimental sites.

Sec. 492. Advisory Committee on Student Financial Assistance

Amends section 491 to include in the purpose of the Advisory Committee on Student Financial Assistance to provide knowledge and understanding of early intervention programs and early awareness of eligibility for financial assistance, and to make recommendations that will expand and improve partnerships among the federal government, states, institutions, and other entities to increase awareness of need-based student assistance. Further amends the section include a new function of the committee to monitor the adequacy of total need-based aid available to low- and moderate-income students. Extends the authorization for the Committee until 2011.

Sec. 493. Negotiated rulemaking

Amends section 492 to state that individuals who are eligible to participate in negotiated rulemaking must also have recognized legitimacy as designated representatives of major stakeholders, sectors, and constituencies in the higher education community.

Sec. 494. Technical amendment

Amends section 493C(b)(1) to clarify that borrowers currently in default are not eligible to elect the Income Based Repayment plan.

Sec. 495. Campus-based digital theft prevention

Section 494 authorizes the Secretary to make grants to institutions of higher education or consortia, and other organizations, to develop, implement, operate, improve and disseminate programs aimed at reducing and eliminating illegal downloading and distribution of intellectual property.

This section also establishes an application process and authorizes the program at such sums as may be necessary for fiscal year 2009 and each of the four succeeding fiscal years.

PART H—PROGRAM INTEGRITY

Sec. 496. Recognition of accrediting agency or association

Section 496 expands the criteria required for an accrediting agency to be determined reliable by the Secretary for those agencies or associations seeking to evaluate institutions or programs offering distance education, and changes the factors that an accrediting agency must consider in accrediting institutions of higher education offering distance education.

Under this section the agency or association must also demonstrate to the Secretary that it will apply review procedures throughout the accrediting process that comply with due process procedures. The agency must make available to the public and the

state licensing or authorizing agency, and must submit to the Secretary, a summary of agency or association actions, including the accreditation or re-accreditation of an institution, including any final denial, withdrawal, suspension or termination of accreditation, or placement on probation of an institution, and any findings made in connection with those actions, together with the official comments of the affected institution.

Under this section agencies must also require institutions of higher education to submit a teach-out plan for approval to the agency when any of the following occur: the Department notifies the accrediting agency of an action against the institution pursuant to section 487(d); the accrediting agency acts to withdraw, terminate, or suspend the accreditation of an institution; or the institution notifies the accrediting agency that the institution intends to cease operations.

This section also requires that an agency or association must confirm as part of its accreditation process that an institution publicly discloses its transfer of credit policies, and whether the institution denies transfer of credit based solely on the accreditation of the sending institution.

Nothing in this section shall be construed to permit the Secretary to establish criteria that specify, define or prescribe the standards that accrediting agencies or associations shall use to assess an institution's success with respect to student achievement.

Sec. 497. Accreditation Ombudsman

Section 497 creates an ombudsman for accreditation whose function is to provide timely assistance to institutions of higher education, accrediting agencies and associations, and other participants in the accreditation process with grievances related to the accreditation process.

Sec. 498. Program review and data

Section 498 requires the Secretary to provide an institution with an adequate opportunity to review and respond to any program review report, and any relevant materials related to the report, before a final program review report is issued.

The Secretary will review and consider an institution's response in any final program review determination. The Secretary, at all times, will maintain and preserve the confidentiality of any program review report or determination until the requirements of paragraphs (6) and (7) are met, and until a final program review determination is issued, other than to the extent required to comply with paragraph (5), except that the Secretary will promptly disclose any and all program review reports to the institution of higher education under review.

Sec. 499. Competitive loan auction pilot program evaluation

Section 499 requires the Secretary and Secretary of the Treasury to jointly conduct an evaluation, in consultation with the Office of Management and Budget, the Congressional Budget Office, and the Comptroller General, of the pilot program carried out by the Secretary under this section. Specifies that the evaluation shall determine the extent of the savings to the federal government that are generated through the pilot program, compared to the cost the fed-

eral government would have incurred in operating the parent loan program under section 428B of the Higher Education Act of 1965 in the absence of the pilot program; the number of lenders that participated in the pilot program, and the extent to which the pilot program generated competition among lenders to participate in the auctions under the pilot program; the number and volume of loans made under the pilot in each state; the effect of the transition to and operation of the pilot program on the ability of lenders participating in the pilot to originate loans made through the pilot smoothly and efficiently, the ability of institutions of higher education participating in the pilot program to disburse loans made through the program smoothly and efficiently, and the ability of parents to obtain loans made through the pilot program in a timely and efficient manner; the differential impact, if any, of the auction among the states, including between rural and non-rural states; and the feasibility of using the mechanism piloted to operate the other programs under part B of title IV of the Higher Education Act; and, the feasibility of using other market mechanisms to operate the loan programs under part B of title IV of the Higher Education Act, including the sale of securities backed by federally-owned student loan assets originated by banks acting as agents of the federal government. The Secretary and the Secretary of the Treasury are required to submit to the authorizing committees a preliminary report by September 1, 2010, an interim report by September 1, 2012, and a final report by September 1, 2013.

TITLE V—TITLE V AMENDMENTS

Sec. 501. Postbaccalaureate opportunities for Hispanic Americans

Amends title V by inserting a new part B, which authorizes the "Promoting Postbaccalaureate Opportunities for Hispanic Americans" program. Section 511 outlines the purposes of the program. Section 512 authorizes the Secretary to award competitive grants to Hispanic-serving institutions determined by the Secretary to be making substantive contributions to graduate educational opportunities for Hispanic students. Defines the term "Eligible Institution." Section 513 lists the activities grantees are authorized to undertake. Section 514 outlines how applications are to be submitted, establishes a duration of five years for grants awarded, and limits to one the number of grants any single institution can receive under this part in one fiscal year.

TITLE VI—TITLE VI AMENDMENTS

Sec. 601. International and foreign language studies

Amends section 601 with regard to the findings and purposes of this Act.

Amends section 602(a) by authorizing the Secretary to award grants to support instructors of the less commonly taught languages; authorizing the dissemination of materials developed by centers and programs to local educational agencies, public and private elementary and secondary schools, and institutions of higher education; authorizing projects that support in students an understanding of science and technology in coordination with foreign language proficiency; and encouraging partnerships between two- and

four-year institutions of higher education, colleges of education, and federal and state departments and agencies.

Amends section 602(b) by inserting "Undergraduate" in the subsection heading for this program. Additional amendments to include among eligible students those engaged in an instructional program with stated performance goals.

Amends section 603(c) regarding Language Resource Centers.

Amends section 604 by authorizing additional uses of funds for sending undergraduate students on educational programs abroad to enhance their foreign language proficiency and cultural knowledge; requiring grantees to submit program evaluations; and removing the 10 percent funding cap for this section.

Amends section 605(a) by modifying authorized activities to encourage the Department of Education to engage in data collection, analysis, and dissemination of international education and foreign language needs and outputs.

Amends section 606 by permitting museums to apply for grants under this section; by authorizing funds to be used for the acquisition of printed material from abroad for the purposes of this section, the development of standards for electronic access, the means for access of international data, the establishment of linkages with institutions abroad that facilitate access to foreign information, and to provide the Department of Education with the flexibility to establish new activities that are useful for carrying out the purposes of this section, with the idea that future technological changes may enhance the activities which could be conducted under this section; and allows the Secretary of Education to waive or reduce the non-federal share for institutions that are eligible to receive assistance under part A or B of title III or under title V and have demonstrated a need for a waiver in the grant application.

Amends section 607(b) by requiring the Secretary to take into account the degree to which grant applicants address national interests and generate and disseminate information from diverse perspectives with regard to international issues.

Amends section 608(a) with regard to equitable distribution.

Amends section 610 with regard to the authorization of appropriations, to authorize such sums as may be necessary for fiscal year 2009 and the four succeeding fiscal years.

Sec. 602. Business and international education programs

Section 602 amends section 612, the Centers for International Business Education to authorize the Secretary to award grants to institutions of higher education to operate international centers for business education that will work with foreign countries to encourage the advancement and understanding of technological management and manufacturing software systems. This section additionally allows the Secretary to waive or reduce the required non-federal share for institutions of higher education. Finally, this section authorizes the program at such sums as may be necessary for fiscal year 2009 and each of the four succeeding fiscal years.

Sec. 603. Institute for International Public Policy

Section 603 amends section 621 by clarifying that the Institute for International Public Policy shall include all underrepresented minorities in its program in order to enhance participation in inter-

national service; by modifying the heading of section 621 to read "Program for Foreign Service Professionals"; and, by clarifying that eligible recipients include all MBIs and institutions that serve substantial numbers of underrepresented students.

Amends section 622 by encouraging collaboration among colleges and universities receiving funds under this title.

Amends section 623(a) to include Alaska Native-serving, Native Hawaiian-serving, and Hispanic-serving institutions in the study abroad program.

Amends section 624 by modifying the heading of section 624 to read "Advanced Degree in International Relations;" and by authorizing the Institute for International Public Policy's consortia of institutions to provide advanced degree programs in a variety of academic areas.

Amends section 625 to include Alaska Native-serving, Native Hawaiian-serving, and Hispanic-serving institutions in the internships program; by repealing the Interagency Committee on Minority Careers in International Affairs; and by stating that students who participate in Internship programs under subsections (a) and (b) will be called "Ralph J. Bunche Fellows."

Amends section 626 by requiring the Secretary to submit a biennial report.

Amends section 628 with regard to the authorization of appropriations for this part.

Sec. 604. Preparing for early foreign language instruction

Section 604 creates a new program through section 631. Section 631 includes definitions related to this new program as well as specifies the purpose of this new program which is to improve the performance of students in the study of foreign languages through partnerships with states and institutions of higher education and elementary and secondary schools. This section specifies the duration of the grant as well as the federal and non-federal share that is required of grantees. This section also establishes a priority to eligible partnerships that include high-need local educational agencies or those that emphasize the teaching of commonly taught and critical foreign languages. Additionally, this section outlines an application process and the authorized activities required under this program. Finally, this section mandates that each grantee develop an evaluation and accountability plan as well as submit an annual report. This program is authorized at such sums for fiscal year 2009 and such sums as may be necessary for each of the four succeeding fiscal years.

Sec. 605. Evaluation, outreach, and dissemination

Section 605 creates a new section 642 of title VI to authorize the Secretary to use not more than 1 percent of the funds made available for this title for program evaluation, national outreach, and information dissemination activities.

Sec. 606. Student safety

Section 606 creates a new section 643 of title VI to specify that applicants seeking funds under this title to support student travel abroad shall submit a description of safety policies and procedures for students participating in the program.

Sec. 607. Science and technology advanced foreign language education grant program

Section 607 creates a new program in section 644.

The section specifies the purpose of the program to encourage students to develop an understanding of science and technology, and foreign language proficiency, as well as foster future international scientific collaboration.

This section allows the Secretary to promulgate regulations for the awarding of grants and specifies the grant distribution. This program is authorized at such sums for fiscal year 2009 and such sums as may be necessary for each subsequent fiscal year.

Sec. 608. Reporting by institutions

Section 608 creates a new section 645 to require reporting of gifts received by institutions of higher education under this title. This section also includes exemptions from reporting as well as consequences for failure to report.

Sec. 609. Federal foreign language education marketing campaign

Section 609 requires the Secretary to establish a marketing campaign aimed at encouraging students to study foreign languages.

TITLE VII—TITLE VII AMENDMENTS

Sec. 701. Javits fellowship program

Amends section 701(a) by adding language after the second sentence clarifying that a master's degree in fine arts shall be considered a terminal degree for the purposes of this program. Amends section 701(c) by allowing institutions of higher education to grant fellowship recipients an interruption of study due to active duty military service or a personal or family member illness.

Amends section 702(a)(1) with regard to the allocation of fellowships within the Jacob K. Javits program and by requiring the Secretary to ensure that one member of the fellowship board will be from a minority-serving institution.

Amends section 703 with regard to stipends and by providing for institutional allowances.

Amends section 705 with regard to the authorization of appropriations.

Sec. 702. Graduate assistance in areas of national need

Amends section 712 pertaining to the designation of areas of national need and instructs the Secretary to take into consideration the extent to which interest in the area is compelling and other federal programs support study in the area, an assessment of how the program may achieve the most significant impact and current and future workforce needs, and the priority in subsection (c). Further amends section 712 by inserting subsection (c), which requires the Secretary to establish a priority for grants to prepare faculty to train highly qualified elementary and secondary school teachers of math, science and special education, and teachers who will provide instruction for limited English proficient individuals.

Amends section 713(b) to require grantees that are departments, programs, or units involved in teacher preparation to provide assurances that the grantee collaborates with other departments

within the institution to ensure a successful combination of training in both teaching and content.

Amends section 714 with regard to stipends and to make technical amendments.

Amends section 715(a)(1) to specify that the Consumer Price Index to be used is the Consumer Price Index for All Urban Consumers.

Amends section 716 with regard to the authorization of appropriations.

Sec. 703. Thurgood Marshall legal educational opportunity program

Amends section 721 to expand those eligible for the Thurgood Marshall legal educational opportunity program to include middle and high school students as well as college students and expands uses to include admission to law practice. Further amends the section to allow funds to be used to assist students in developing analytical skills and study methods to enhance success in and promote completion of law school. Additionally authorizes the Secretary to use grant funds for Thurgood Marshall Fellowships for eligible law school students who participate in summer institutes for Thurgood Marshall Fellows or comparable summer institutes certified by the Council on Legal Educational Opportunity.

Amends section 731 by repealing subsection (e).

Sec. 704. Patsy T. Mink Fellowship program

Amends part A of title VII to add a new subpart. This subpart authorizes the Secretary to award grants to eligible institutions of higher education to enable such institutions to make fellowship awards to assist highly qualified minorities and women to acquire the highest degree available in academic areas where such individuals are underrepresented in the professoriate. The Secretary shall consider the representation of women and minority faculty members, the current and projected need for faculty and the need to prepare professors in areas of national need such as mathematics and science. In awarding grants, each institution shall award no less than fifteen fellowships. Fellows shall sign an agreement to enter a contract to teach at an institution of higher education not later than three years after receiving the doctoral degree or highest possible degree available. Individuals who do not enter the professoriate shall repay the fellowship.

Sec. 705. Fund for the improvement of postsecondary education

Amends section 741 to authorize the Secretary to consider applications for grants that recognize the needs of non-traditional student populations; programs that offer academic credit; focus on technology to deliver distance education; introduce reforms that encourage students to enter and reenter postsecondary institutions and pursue postsecondary study tied to individual needs; assess, in partnership with a public or private nonprofit institution or agency, the performance of teacher preparation programs within institutions of higher education in a state; efforts to establish pilot programs and initiatives to help college campuses to reduce illegal downloading of copyrighted content; programs to increase fire safety in student housing; assess, in partnership with a consortium of higher education organizations, the feasibility and potential design

of an inter-institution monitoring organization on gender and racial equality in campus faculty and administration; assist partnerships between institutions of higher education and secondary schools to establish programs that result in increased secondary school graduation and postsecondary school enrollment of late-entering limited English proficient students; demonstration projects to provide comprehensive support services to ensure that homeless students and students who were in foster care until the age of eighteen enroll and succeed in postsecondary education; efforts to work with section 501(c)(3) organizations and institutions of higher education that seek to promote cultural diversity in the entertainment industry; and the creation of consortia that join diverse institutions of higher education to design and offer programs that focus on poverty and human capability.

Further amends section 741 to insert a new subsection (c) to authorize the Secretary to contract with a nonprofit organization to provide postsecondary education scholarships for students with a parent, for dependent students, or a spouse, for independent students, serving on active or National Guard duty during a war or other military operation or national emergency or a veteran who died as a result of service since September 11, 2001. The maximum scholarship is the difference between the student's cost of attendance and non-loan based aid or $5,000, whichever is less.

Further amends section 741 to insert a new subsection (d) to authorize the Secretary to award a grant or contract to an institution of higher education to establish and maintain a center to study and develop best practices for institutions of higher education to support single parents who are also students attending such institutions.

Further amends section 741 by prohibiting funds made available under this part from being used to provide financial assistance to students who do not meet the requirements of section 484(a)(5).

Amends section 742, 743, and 744 to make technical amendments.

Amends section 744(c) to expand the area of national need to include academic programs that teach traditional American history.

Amends section 745 with regard to the authorization of appropriations.

Sec. 706. Urban-serving research institutions

Amends part C by rewriting the part. Renames the part "Urban-Serving Research Intuitions." Authorizes the Secretary to award grants to urban-serving research institutions to enable such institutions to expand research knowledge and to develop and implement initiatives in partnership with community-based organizations and other public or non-profit private entities to strengthen city economies, foster innovation and opportunity, and solve urban challenges. The Secretary shall give priority to applicants that propose to conduct joint programs supported by other local, state, and federal programs and to institutions that have a demonstrated record of effective engagement in serving their community.

Grants awarded under this part are to be used to develop, implement, and evaluate systemic initiatives with elementary and secondary schools, innovative economic revitalization efforts, or public health outreach, education, and intervention activities.

Sec. 707. Programs to ensure students with disabilities receive a quality higher education

Section 707 amends Part D of title VII with new Subpart 2 and Subpart 3.

SUBPART 1—QUALITY HIGHER EDUCATION

Amends section 762 by specifying that the teaching methods and strategies designed to teach students with disabilities authorized under these grants must now meet the academic and programmatic needs of students with disabilities in order to improve retention and completion of postsecondary education, and must include methods and strategies consistent with the principles of universal design for learning.

Authorizes activities of the grants awarded under this subpart are expanded to include the development of innovative and effective teaching methods and strategies to ensure the successful transition of students with disabilities from high school to postsecondary education; innovative and effective teaching methods and strategies to provide faculty and administrators with the ability to provide accessible distance education programs or classes that would enhance access to higher education for students with disabilities, including the use of accessible curriculum and electronic communication for instruction and advisement; and improved accessibility through the use of accessible instructional materials and curriculum development consistent with the principles of universal design for learning.

The Secretary will prepare and disseminate a report reviewing the programs under this subpart, and provide guidance and recommendations on how successful projects can be replicated.

Amends section 763 to include a description of activities allowed under this part in the application, and to require that applicants for grants provide a description of the extent to which the applicant will work to replicate best practices.

Amends section 765 with regard to the authorization of appropriations.

SUBPART 2—NATIONAL TECHNICAL ASSISTANCE CENTER; COMMISSION ON ACCESSIBLE MATERIALS; PROGRAMS TO SUPPORT IMPROVED ACCESS TO MATERIALS

National center

Subpart 2 creates a new section 766, which authorizes the Secretary to make grants or enter into contracts to establish and operate a national center to provide information and technical assistance for students with disabilities, and specifies the purpose of this new center, which is to improve the postsecondary recruitment, retention, and completion success rates of such students. This section specifies the qualifications of eligible entities who may apply to establish and support the national center, and outlines the duties of such a center, which include assistance to students and families, assistance to institutions of higher education, information collection and dissemination, dissemination of information on professional standards for disability support personnel, and annual reporting. Finally, this section mandates that the center employ disability

support personnel with proven expertise in providing training and technical assistance to practitioners.

Establishment of advisory commission on accessible instructional materials in postsecondary education for students with disabilities

Subpart 2 creates a new advisory commission in section 766A. Section 766A establishes an advisory commission on accessible instructional materials in postsecondary education for students with disabilities, and defines the membership of the commission, the period of appointment, meeting requirements, and requires the commission to select a chairperson and vice chairperson from among the members. The section defines the duties of the commission, which include conducting a thorough study to assess the barriers, systemic issues, and technical solutions available to improve the delivery and quality of accessible instructional materials, and reporting the findings and recommendations from the study to the Secretary and Congress within twenty-four months of the first meeting of the commission. The section outlines personnel matters related to the commission, including compensation, travel expenses, staff, and procurement of services. Finally, the section requires the termination of the commission 90 days after the submission of their report to the Secretary and Congress.

Model demonstration programs to support improved access to postsecondary instructional materials for students with print disabilities

Subpart 2 creates new model demonstration programs through section 766B. Section 766B specifies the purpose of the new programs, which is to encourage the development of systems to improve the timely delivery and quality of postsecondary instructional materials in specialized formats to students with print disabilities. This section defines the type of partnerships of eligible entities that may be awarded grants. The section requires the grantees to develop and implement processes and systems to: identify eligible students, facilitate requests for materials, coordinate between institutions of higher education, publishers, and producers of specialized formats, deliver materials in a timely manner, reduce duplication, protect against copyright infringement; outreach and training activities; evaluation of activities; and guidance for replication of successful efforts. The section requires the Secretary to report to Congress regarding the grant activities, provides authorization to the Secretary to expand the model demonstration program after three years, and requires the Secretary to consider the recommendations of the advisory commission on accessible instructional materials in postsecondary education for students with disabilities, when they become available, in issuing guidance to grantees.

Section 766C provides the authorization of appropriations for all programs under this subpart.

SUBPART 3—TRANSITION PROGRAMS FOR STUDENTS WITH INTELLECTUAL DISABILITIES INTO HIGHER EDUCATION; COORDINATING CENTER

Model comprehensive transition and postsecondary programs for students with intellectual disabilities

Subpart 3 creates model demonstration programs that promote the successful transition of students with intellectual disabilities into higher education. Section 767 describes the purpose of the programs. Section 768 provides definitions for this subpart.

Section 769 authorizes the Secretary to award five year grants on a competitive basis to institutions of higher education or consortia of such institutions to create or expand high-quality, inclusive model comprehensive transition and postsecondary programs for students with disabilities. Such programs shall be a degree, certificate, or non-degree program offered by an institution of higher education that is designed for students with intellectual disabilities who seek to continue academic, vocational, or independent living instruction at the institution in order to prepare for gainful employment, includes an advising curriculum structure, and requires the enrollment of the student in the equivalent of not less than half-time course of study as determined by the institution. Preference shall be given to institutions of higher education or consortia of institutions in a state that does not already have a comprehensive transition and postsecondary program for students with intellectual disabilities, or agree to incorporate one or more specified elements into the program carried out under the grant. The Secretary shall prepare and disseminate a report reviewing the activities of the model comprehensive transition and postsecondary programs for students with intellectual disabilities authorized under this subpart and provide guidance and recommendations on how successful programs can be replicated.

Coordinating center for technical assistance, evaluation, and development of accreditation standards

Section 770 directs the Secretary to enter into a five-year cooperative agreement with an eligible entity, for the purpose of establishing a coordinating center for technical assistance, evaluation, and development of accreditation standards for institutions of higher education that offer inclusive model comprehensive transition and postsecondary programs for students with intellectual disabilities, and provides the requirements of the cooperative agreement.

Section 770A provides the authorization of appropriations for all programs under this subpart.

Sec. 708. Subgrants to nonprofit organizations

Amends section 771(e) to allow guaranty agencies to be an eligible partner in the College Access Challenge Grant program.

Sec. 709. Nursing education

Amends title VII to create a new part F. This part authorizes the Secretary to award grants to institutions of higher education that offer an R.N. nursing program at the baccalaureate or associate degree level to expand the faculty and facilities of such program to accommodate additional R.N. nursing students; or to institutions of

higher education that offer post-graduate level degrees for either advanced practice nurses, or for prospective teachers in nursing programs, or both, to expand the faculty and facilities of such programs to accommodate additional post-graduate students. Grants shall be awarded for each academic year in the amount of $3,000 multiplied by the number of matriculated nursing students at such institution for the academic year that is greater than the average at that institution for the previous four years.

This part also authorizes the Secretary to award grants to and enter into contracts and cooperative agreements with partnerships composed of an accredited school of nursing at an institution of higher education and hospital or health facility. The purposes of the grants, contracts, and agreements are to provide scholarships to qualified nurses in pursuit of an advanced degree with the goal of becoming a faculty member in an accredited nursing program and to fund release time for qualified nurse employees, so that those employees can earn a salary while obtaining an advanced degree in nursing with the goal of becoming nurse faculty. Funds made available by such grants, contracts, or agreements may be used to develop a new national demonstration initiative to align nursing education with emerging industry trends, develop a clinical simulation laboratory, purchase distance learning technologies, fund release time, provide for faculty salaries, and collect and analyze data on educational outcomes.

Sec. 710. National study on higher education access and success for students with disabilities

Section 710 directs the Comptroller General to conduct a study of the barriers to, and opportunities for, the full participation of students with disabilities in higher education. The study shall address issues related to students with disabilities including enrollment and completion rates, factors that influence the accessibility of higher education, effectiveness and capacity of disability support services, coordination with other support programs, and factors contributing to effective recruitment and graduation.

TITLE VIII—ADDITIONAL PROGRAMS

Sec. 801. Additional programs

The purpose of this title is to provide new programs to offer opportunities for increased access to and success in higher education. Each new part under section 801 is added to the end of the Higher Education Act of 1965.

Section 800 provides the authorization of appropriations for all programs under this title.

PART A—LOW TUITION

This part authorizes the Secretary to award grants on a competitive basis to institutions of higher education that keep their tuition increases at or below the percentage change in the higher education price index. This part also specifies the use of funds for institutions receiving a grant under this part. This part also allows the Secretary to award bonus amounts in the form of need-based grant aid to institutions that guarantee their tuition and maintain low tuition and fees. Additionally this part requires all institutions

of higher education that have an increase in annual net tuition to report to the Secretary the factors contributing to the increase in the institution's costs and the increase in the net tuition and fees charged to students, including identification of the major areas of the institution's budget with the greatest cost increases; the institution's three most recent 990s submitted to the Internal Revenue Service; a description of the major areas of expenditures in the institution's budget with the greatest increase for such academic year; and the actions being taken by the institution to reduce net tuition. This part requires that this information be compiled for Congress to review.

PART B—COOPERATIVE EDUCATION

This part authorizes the Secretary to make grants to institutions of higher education or combination of institutions for cooperative education programs. Of the funds appropriated for this part not less than 50 percent shall be used for institutions of higher education that have not received a grant in the last ten years; not less than 25 percent shall be available for grants operating existing cooperative education programs; not more than 11 percent for demonstration grants to determine the feasibility or value of innovative methods of cooperative education and not more than 11 percent to conduct the training and resource centers to train personnel in the field of cooperative education and improve materials used in cooperative education; and furnish technical assistance to institutions of higher education to increase the potential of the institution to continue to conduct a cooperative education program. This part also includes program requirements that include providing alternating or parallel periods of academic study and public or private employment. Additionally, this part includes grant amounts, limitations on the grants, and uses of funds which include expanding the quality of and participation in cooperative education programs; outreach in new curricular areas; and, for outreach to potential participants including underrepresented and nontraditional populations. This part also outlines the application requirements, which include requiring institutions to specify the activities that will be performed and a description of the plans to carry out the cooperative education program past the five years of the grant. Additionally, this part specifies the duration of the grants and federal share required under this program, and specifies factors for special consideration of applications which include programs that show the greatest promise of success because of the extent to which programs in the academic discipline had a favorable reception by public and private sector employers; the strength of the commitment of institutions of higher education; and other factors including institutions with a demonstrated commitment to serving all underserved populations.

This part also authorizes the Secretary to make grants to conduct demonstration projects on innovative methods in cooperative education and training related to the needs of cooperative education programs. This part specifies that a recipient of a grant may use funds provided only to supplement and to the extent possible, increase the level of funds that would, in the absence of such funds, be made available from non-federal sources to carry out the activities supported by such grant.

PART C—COLLEGE PARTNERSHIP GRANTS

This part authorizes the Secretary to make grants to partnerships for the purposes of developing and implementing articulation agreements between institutions. Partnerships must include at least two institutions of higher education and may also include a consortia of institutions or a state higher education agency. A priority is given to partnerships that are located in a state that is in compliance with section 486A, and to partnerships that include at least one junior or community college and one institution that offers a baccalaureate or post-baccalaureate degree that is not offered by the partner junior or community college. Partnerships must use grant funds to develop and implement policies and programs to enhance articulation agreements, academic program enhancements, and programs to remove barriers to student transfers.

PART D—STUDENT SUCCESS GRANTS

This part authorizes the Secretary to award grants to institutions of higher education for the purposes of increasing the success of low-income students in persisting in and completing postsecondary education and training programs. Eligible institutions are defined as institutions of higher education in which, during the three-year period preceding the year in which the institution is applying for a grant, an average of not less than 50 percent of the institution's entering first-year students are enrolled in developmental courses. Participating institutions shall provide a non-federal match of 25 percent.

Funds shall be used to assign a Student Success Coach to participating first-year students to provide intensive career and academic counseling, ongoing personal help in navigating college services, and assistance in connecting to community resources. Funds may also be used to provide services and programs for participating students, including: college and career success courses, work-study jobs with private employers, learning communities, curricular redesign, instructional support, and assistance with support services.

This part also directs the Secretary to conduct an evaluation of program outcomes and participating institutions shall work with an evaluator to track persistence and completion outcomes for participating students.

PART E—JOBS TO CAREERS

This part authorizes the Secretary to award grants to institutions of higher education for the purposes of improving developmental education, by customizing developmental education to student career goals, and to help students move from developmental coursework into for-credit occupational program courses. The Secretary shall give priority to applications that are from institutions of higher education in which a majority of the institution's entering students are assessed as needing developmental coursework or propose to replicate proven effective practices or partner with adult education providers.

Funds shall be used to create workforce bridge programs that serve the outlined purposes of this program. Programs may integrate the curricula and the instruction of both developmental and college-level coursework. This part also outlines permissible uses of

funds, including re-designating class schedules to meet the needs of working adults.

PART F—PROJECT GRAD

This part authorizes the Secretary to award a grant to Project GRAD USA to provide support and assistance to programs implementing integrated education reform services in order to improve the secondary school graduation and college attendance and completion of disadvantaged students. The grantee shall use the awarded funds to implement, improve, and expand programs of integrated education reform services.

This part outlines the terms of subcontracting and matching requirements for the grantee. Further, the Secretary shall evaluate the performance of participating students under this part every three years.

PART G—IMPROVING COLLEGE ENROLLMENT BY SECONDARY SCHOOLS

This part directs the Secretary to contract with a not-for-profit organization to make available year-to-year higher education enrollment rate trends of secondary school students. The grant recipient shall have demonstrated expertise in increasing school-wide higher education enrollment rates in low-income communities, and in college transition data management.

The Secretary shall also contract with such nonprofit organization to identify not less than fifty urban local educational agencies and five states with significant rural populations, each of which serves a significant number of low-income students, to carry out comprehensive needs assessments of the factors known to contribute to improved higher education enrollment rates, including factors such as evaluation of the local educational agency's and state's leadership strategies, the secondary school curriculum and class offerings of the local educational agency and state, the professional development used by the local educational agency and state to assist teachers, higher education counselors, and administrators in supporting the transition of secondary students into higher education, secondary school student attendance, the data systems used by the local educational agencies and the state to measure college enrollment rates 148 and the incentives in place to motivate faculty and students to improve school-wide outcomes, and strategies to mobilize student leaders to build a college-bound culture.

The nonprofit shall also provide comprehensive services to improve school-wide higher education enrollment rates of each of at least ten local educational agencies and states that participated in comprehensive needs assessment and have demonstrated a willingness and commitment to improving the higher education enrollment rates of the local educational agency or state.

PART H—DIPLOMA MILL PREVENTION

The purpose of this part is to protect institutions of higher education, businesses, and others from any person claiming to possess a legitimate academic degree that in fact was issued by a fraudulent or non-existent school, by a non-educational entity posing as a school, or by any entity in violation of federal or state law. This part accomplishes this purpose by authorizing the Secretary of

Education to make available to the Secretary of Homeland Security and the heads of the appropriate federal agencies, a list of accrediting agencies; institutions accredited by agencies recognized by the Secretary; and foreign degree granting institutions recognized in the home country of the institution for the purposes of allowing the Secretary of Homeland Security and the heads of such federal agencies to determine, for immigration and federal employment and hiring purposes, the legitimacy of degree granting institutions and degrees issued by such institutions. This part also authorizes the Secretary to establish within the Department of Education a Diploma Mill Task Force. Representatives on the task force include the heads of agencies, and individuals appointed by Members of Congress. This part further outlines the duties of the task force which includes the development of a federal plan to address diploma mills and a report to Congress with recommendations for guidelines and legislation for Congress to consider. This part also includes a Sense of Congress regarding the use by states of the federal plan to be developed by the task force. Finally, this part requires the Secretary to request in writing that the Federal Trade Commission develop a plan to address diploma mills.

PART I—STUDENT SAFETY AND CAMPUS EMERGENCY MANAGEMENT

This part authorizes a new grant program for institutions of higher education to develop and improve their campus safety and emergency response systems. Grants shall be awarded by the Secretary of Education, in consultation with the Attorney General and the Secretary of Homeland Security. Grant funds may be used to develop and implement emergency communications systems, for security assessments, for training of security personnel, and to coordinate mental health crisis response and intervention services for students enrolled in the institution of higher education affected by a campus or community emergency. These communications procedures may incorporate the use of radio announcements, television alerts, audible alert signals, public address announcements, and other means of communication, so that each institution participating shall be able to communicate with students, employees, and others on the campus of the institution, within a reasonable and timely manner in the event of a significant emergency or dangerous situation.

This part further requires the Secretary, in consultation with the Attorney General, to develop model emergency procedures and to disseminate information regarding these model procedures.

This part also requires the Secretary to develop and maintain a disaster relief plan, in consultation with appropriate agencies, to ensure a procedure is in place to address the needs of institutions of higher education in the event of a federally declared disaster or emergency.

This part authorizes the Secretary to establish an Education Disaster and Emergency Relief Loan Program for institutions of higher education for direct or indirect losses incurred as a result of a federally declared major disaster or emergency. This part specifies that funds provided under this loan program may be used for direct and indirect construction, replacement, and renovation costs associated with or resulting from or preparing for a major disaster; faculty salaries and incentives to retain faculty; reimbursement for

lost tuition and other revenues. The program requires applicants to submit financial statements and demonstrate an attempt to secure funds through other federal grant programs. This part allows the Secretary to prescribe regulations to establish the loan program including setting the terms. Additionally, this part specifies the institutions that may qualify for assistance under such program.

This part also requires the Secretary to provide guidance that clarifies the role of institutions of higher education with respect to disclosures of education records, including to a parent or legal guardian of a dependent student, in the event that such student demonstrates that the student possess a significant risk of harm to himself or herself or to others. This part requires the guidance to clarify that an institution of higher education that in good faith complies with the requirements of this Act and the Family Educational Rights and Privacy Act of 1974 shall not be held liable for that disclosure.

PART J—RURAL DEVELOPMENT GRANTS FOR RURAL COLLEGES AND UNIVERSITIES

This part authorizes the Secretary to award grants for the purposes of increasing enrollment and graduation rates of two and four-year institutions of higher education of graduates of rural high schools, degree completion for non-traditional students from rural areas, and promoting economic growth and development in rural America through partnership grants with rural colleges and universities.

Section 873 authorizes grants to partnerships between rural institutions of higher education and rural local educational agencies, rural education service agencies, rural employers, or nonprofit organizations with expertise in rural education. Funds awarded to partnerships under this section shall be used to improve enrollment rates for graduates and former attendees of rural high schools at rural institutions of higher education and to encourage participation of nontraditional students at rural institutions of higher education.

Section 874 authorizes grants to eligible partnerships. Funds awarded under this section shall be used to provide additional career training to attendees of rural institutions of higher education in fields relevant to the regional economy and to encourage regional business to employ graduates of such institutions.

Section 875 authorizes grants to rural institutions of higher education to create or strengthen academic programs to prepare graduates to enter high-need occupations in the regional and local economies.

Section 876 provides considerations for the Secretary regarding the allocations to qualifying institutions and partnerships, establishes minimum and maximum grant award amounts, and specifies that grants shall be awarded for one three-year period.

PART K—IMPROVING SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS EDUCATION WITH A FOCUS ON ALASKA NATIVE AND NATIVE HAWAIIAN STUDENTS

This part authorizes a grant to an eligible partnership to develop or expand programs for the development of science, technology, engineering or mathematics professionals from elementary schools

through college, including existing programs for Alaska Native and Native Hawaiian students. Eligible partnerships shall be partnerships of one or more colleges or schools of engineering, one or more colleges or schools of science or mathematics, one or more institutions of higher education that offer two-year degrees, or one or more private entities that conduct career awareness activities showcasing local technology professionals, develop internships, apprenticeships and mentoring programs in partnership with relevant industries, and assist with the placement of interns and apprentices.

Grant funds shall be used to develop or implement 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; 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 or Native Hawaiian students; 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 Alaska Native or Native Hawaiian students; or other activities consistent with the purposes of this section.

Priority for grants shall be given to an eligible partnership that provides one or more programs in which 30 percent or more of the program participants are Alaska Native or Native Hawaiian.

PART L—NATIONAL DATABASE ON FINANCIAL ASSISTANCE FOR STUDY OF SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS

This part directs the Secretary to establish and maintain a database of information on scholarships, fellowships, and other programs of financial assistance available from public and private sources for the study of science, technology, engineering, or mathematics in postsecondary education. This part further outlines requirements for specific data elements to be included in the database.

PART M—TRAINING FOR REALTIME WRITERS

This part authorizes the Secretary of Commerce to award grants to eligible court reporting programs to promote the training and placement of individuals as realtime writers in order to meet the requirements for closed captioning of video programming. The part further outlines that the Secretary shall give priority to applicants based upon criteria and describes the application requirements.

Funds shall be used 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. Activities may include: recruitment, scholarships, distance learning, development and implementation of curriculum to more effectively train realtime writing skills, mentoring, and encouragement of individuals with disabilities to pursue a career in realtime writing, and employment and payment of personnel for the purposes of carrying out such activities.

This part further outlines reporting requirements of grantees and directs the Inspector General of the Department of Commerce to conduct a review of the management, efficiency, and effectiveness of the grants made under this part.

PART N—CENTERS OF EXCELLENCE IN VETERAN STUDENT SUCCESS

This part authorizes the Secretary to award grants to institutions of higher education to develop model programs to support veteran student success in postsecondary education. This part also outlines the required activities under this program and the additional activities permitted which include establishing a Center of Excellence for Veterans on campus; establishing support teams; providing a staff for coordination. Additionally, this part includes an application process which includes taking into consideration the number of veterans enrolled at the institution and the need for the program. This part also requires the Secretary to develop an evaluation and accountability plan for model programs funded under this part.

PART O—UNIVERSITY SUSTAINABILITY PROGRAMS

This part establishes university sustainability programs. Under subpart 1, the Secretary is authorized to make grants to establish sustainability programs to design and implement sustainability practices. This subpart specifies the period of the grant, the amount of the grant, the application process, uses of funds which includes allowing institutions of higher education to develop and implement administrative and operations practices; establishing multi-disciplinary education, research and outreach programs; establishing initiative in the areas of energy management and supporting student faculty and staff work at institutions to implement, research and evaluate sustainable practices. This part also requires a report from all grantees.

Under subpart 2, the Secretary is authorized to convene a summit of higher education experts working in the area of sustainable operations and programs. This summit shall encourage faculty, staff and students at institutions of higher education to establish administrative and academic sustainability programs; enhance research by faculty and students in sustainability practices; encourage institutions to work with community partners; identify opportunities for partnerships with the federal government; and charge the summit participants to submit a set of recommendations for addressing sustainability through institutions of higher education.

PART P—MODELING AND SIMULATION PROGRAMS

This part authorizes the Secretary to establish a task force on modeling and simulation; provide grants to institutions of higher education to develop new modeling and simulation programs; and create grants for institutions of higher education to enhance existing modeling and simulation degree programs. With respect to the task force, this part outlines the activities of the task force which include helping to define the study of modeling and simulation; identifying best practices for such study; and providing recommendations related to the grants established under this program. This part specifies the duration and minimum grant

amounts, non-federal share, the application process and uses of funds which include allowing institutions to establish, or work towards the establishment of, a modeling and simulation program; provide adequate staffing; and the purchasing of equipment. This part is authorized at $40 million for fiscal year 2009 and such sums as may be necessary for each of the succeeding four fiscal years. Additionally, $1 million is authorized to carry out the activities of the task force and the remaining funds shall be allocated 50 percent for new programs and 50 percent for programs with an established modeling and simulation program.

PART Q—BUSINESS WORKFORCE PARTNERSHIPS

This part authorizes the Secretary to award grants to business and industry workforce partnerships to strengthen ties between college degree credit offerings and business and industry workforce needs, and expand opportunities for worksite learning. Partnerships must include an institutions of higher education, an employer or a group of employers or a local board, and, where applicable, labor organizations.

This part identifies mandatory and permissible uses of grant funds in order to fulfill the purposes of the part. Further, the part directs the Secretary of Education, jointly with the Secretary of Labor, to report to Congress on statutory changes that would strengthen the links between business and industry partners and institutions of higher education, including creating and sustaining partnerships at institutions.

Sec. 802. Sense of the Congress; report

Section 802 declares the Sense of the Congress that the Secretary of Education and Treasury work together to develop a process for borrowers to make loan repayments via the tax withholding system to pay for loans using income tax withholdings. The Secretaries shall report to Congress no later than one year after the date of enactment on the progress and inform Congress of any statutory barriers to implementation.

Sec. 803. Independent evaluation of distance education programs

Section 803 calls for a study by the National Academy of Sciences to evaluate the quality of distance education programs as compared to campus-based education programs at institutions.

Sec. 804. Encouraging colleges and universities to "go green"

Section 804 declares the Sense of the Committee on Education and Labor that there should be increased awareness of the need to use sustainable economic and environmental practices on colleges and universities.

Sec. 805. Study of costs of environmental, health, and safety standards

Section 805 directs the Secretary to commission the National Research Council to conduct a study to determine the viability of developing and implementing standards in environmental, health, and safety areas to provide for differential regulation of industrial laboratories and facilities and research and teaching laboratories.

Sec. 806. Study of minority male academic achievement

Section 806 directs the Secretary to conduct a study of underrepresented minority males, particularly African American and Hispanic males, completing high school and entering into and completing postsecondary education. Such study shall examine the high school completion and preparation for college, success on the SAT and ACT, and minority male access to higher education.

Sec. 807. Study on bias in standardized tests

Section 807 directs the Comptroller General to conduct a study to identify any race, ethnicity, and gender biases present in the design of standardized tests that are used for admission to institutions of higher education.

Sec. 808. Feasibility study on student loans

Section 808 directs the Congressional Budget Office to conduct a study on the feasibility of allowing borrowers in repayment of student loans the option of selecting or renegotiating a fixed or variable interest rate on their loans. The study shall evaluate various scenarios and take into consideration the cost to the government, lenders, and borrowers as well as any impact on service quality.

Sec. 809. Endowment report

Section 809 directs the Secretary to conduct a study on the amounts, uses, and public purposes of the endowments of institutions of higher education. Such study shall examine the average and range of the outstanding balances of such endowments, the growth of endowments over the past ten years, the percentage of spending on an annual basis, and the extent to which such funds are restricted.

Sec. 810. Study of Correctional Postsecondary Education

Section 810 directs the Secretary to conduct a longitudinal study to assess the effects of correctional postsecondary education. Such study shall employ rigorous empirical methods, measure a range of outcomes, examine different delivery systems of postsecondary education, and include a projected cost-benefit analysis of the federal investment.

Sec. 811. National Undergraduate Fellows Program

Section 811 authorizes a National Undergraduate Fellows Program to provide fellowships in order to improve postsecondary degree completion by underrepresented undergraduate students.

Sec. 812. National Center for Learning Science and Technology Trust Fund

Section 812 establishes a National Center for Learning Science and Technology Trust Fund as an independent Center to use funds to support basic and applied research develop and demonstrations of innovative learning and assessment tools, support the testing and evaluation of such tools, and to encourage the adoption and use of effective approaches to learning.

Sec. 813. GAO study of education related indebtedness of medical school graduates

Section 813 directs the Comptroller General to conduct a study of the higher education related indebtedness of medical school graduates in the United States at the time of graduation.

TITLE IX—AMENDMENTS TO OTHER LAWS

PART A—EDUCATION OF THE DEAF ACT

Sec. 901. Laurent Clerc National Deaf Education Center

Section 901 names the Laurent Clerc National Deaf Education Center, as the entity to provide quality education for deaf individuals through its Clerc Center, and technical assistance, outreach and training programs for parents and teachers of children who are deaf. By no later than the beginning of the 2009–10 academic year, the elementary and secondary programs at the Center shall adopt and implement standards and assessments pursuant to Section 1111(b) of the Elementary and Secondary Education Act, subject to approval by the Secretary. The University shall determine whether the Clerc programs are making adequate yearly progress and publicly report the findings, as required by the Elementary and Secondary Education Act.

Sec. 902. Agreement with Gallaudet University

Section 902 updates the reference to the Davis-Bacon Act.

Sec. 903. Agreement for the National Technical Institute for the Deaf

Section 903 names the Rochester Institute of Technology as the partner institution for the establishment and operation of a National Technical Institute for the Deaf, and specifies that if the Secretary or Rochester Institute terminates the agreement the Secretary shall consider other proposals to establish and operate a National Technical Institution for the Deaf.

Sec. 904. Audit

Section 904 limits the requirements of annual independent financial and compliance audit of the relevant institution of higher education to cover only the activities of the National Technical Institute for the Deaf, and clarified that such audit shall be conducted on a fiscal year cycle.

Sec. 905. Reports

Section 905 excludes preparatory programs from those programs about which the University must report enrollment, graduation, and post-graduation employment information. Changes the date of the University's requirement to report the differences in disposition of individuals from minority backgrounds with those students from non-minority backgrounds from the date of graduation or completion of their studies to one year after graduation or completion. Limits the requirements of the report as compared to current law.

Sec. 906. Monitoring, evaluation, and reporting

Section 906 removes reference to the Department of Education Organization Act when stating that the Secretary should submit an annual report to Congress on the University's monitoring and evaluation activities of and legislative recommendations regarding the University's programs, activities and administrative operations. Changes period of authorization of appropriations under this section to fiscal years 2008 through 2013.

Sec. 907. Liaison for educational programs

Section 907 also requires the Secretary to designate a liaison between the Department of Education and Gallaudet University, the National Technical Institute for the Deaf, and other postsecondary educational programs for individuals who are deaf as defined under the Individuals with Disabilities Education Act, the Rehabilitation Act of 1973, and other federal or non-federal agencies, institutions, or organizations involved with the education or rehabilitation of individuals who are deaf or hard of hearing.

Sec. 908. Federal endowment programs for Gallaudet University and the National Technical Institute for the Deaf

Section 908 extends the authorization of appropriations for fiscal years 2008 through 2013.

Sec. 909. Oversight and effect of agreements

Section 909 updates correct names of committees where relevant.

Sec. 910. International students

Section 910 establishes that preparatory students no longer count toward the University's and NTID's respective enrollment caps of international students; nor do international students residing abroad and participating in distance learning courses through NTID or the University. This section also states that U.S. citizens who apply for distance learning courses shall not be denied participation because of the participation of international students, and such distance education international students will not be charged a tuition surcharge. Postsecondary international students from a non-developing country enrolled at the University or NTID shall continue to pay a 100–percent tuition surcharge. The section reduces the surcharge paid by postsecondary international students from a developing country enrolled at the University or NTID from 100 percent to 50 percent. It also requires the University and NTID to develop a sliding scale model for tuition surcharge reduction for international students, from both developing and non-developing countries, that can demonstrate financial need. The section also defines "developing country" for the purposes of this section.

Sec. 911. Research priorities

Section 911 updates correct names of committees where relevant.

Sec. 912. National study on the education of the deaf.

Section 912 requires the Secretary to establish a commission on the education of the deaf, and updates the current study language to give the commission responsibility to conduct a study to identify education-related barriers to successful postsecondary education ex-

periences and employment for individuals who are deaf, and those education-related factors that contribute to successful postsecondary education experiences and employment for individuals who are deaf. Updates study report dates. Amends Section 912 with regard to the authorization of appropriations under this section.

Sec. 913. Authorization of Appropriations

Section 913 extends the authorization of appropriations for fiscal year 2008 through 2013.

PART B—INDIAN EDUCATION

SUBPART 1—TRIBAL COLLEGES AND UNIVERSITIES

Sec. 921. Reauthorization of the Tribally Controlled College or University Assistance Act of 1978

This section defines "National Indian Organization" to mean an organization that is nationally based, represents a substantial Indian constituency and has expertise in the fields of tribally controlled colleges and university and Indian higher education. "Indian Student" means a student who is a member of an Indian tribe or a biological child of a member of an Indian tribe, living or deceased.

In a continuing education program, eligible credits shall be determined as one credit for every ten contact hours in a quarter system, or fifteen contact hours in the case of an institution with a semester system. These hours must be completed in an organized continuing education experience under responsible sponsorship, capable direction and qualified instruction, as described by the International Association for Continuing Education and Training. No more than 10 percent of the Indian student count of a tribally controlled college or university shall receive such credits. The section also strikes the prohibition on credit hours earned by an Indian student not making satisfactory progress toward a degree or certificate being taken into account.

To be eligible for grant assistance under this Act, a tribally controlled college or university must be accredited by a nationally recognized accrediting agency or association, or must be making reasonable progress toward accreditation according to such an agency or association.

The Secretary shall require that contracts for technical assistance be awarded to an organization designated by the tribally controlled college or university to be assisted. The Secretary shall grant to each tribally controlled college or university with an approved application an amount equal to the product of multiplying the Indian student count at such college or university during the academic year preceding the academic year and $8,000, with the latter adjusted annually for inflation. For technical assistance contracts under this section, authorizes $3.2 million for fiscal year 2008 and five succeeding years. Authorize such sums as shall be necessary for fiscal year 2008 and the succeeding five years for grants to tribally controlled colleges or universities and the renovation program and construction of new facilities under this title. Changes authorized funding level of grants for the establishment and support of tribal economic development and education institutes from $2,000,000 per fiscal year to such sums as may be nec-

essary. Authorizes such funding for fiscal year 2008 and the succeeding five years.

Section 921(j) adds at the end of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801, et seq.) by adding at the end a new subtitle V on Tribally Controlled Postsecondary Career and Technical Institutions. The term "tribally controlled postsecondary career and technical institution" aligns with the definition of the term in the Carl D. Perkins Career and Technical Education Act. Subject to the availability of appropriations, for fiscal year 2008 and each fiscal year thereafter, the Secretary shall provide funding to the United Tribes Technical College and the Navajo Technical College to operate postsecondary career and technical programs for Indian students, so long as the Secretary determines that those institutions meet the definition of a "tribally controlled postsecondary career and technical institution" defined herein. Provides that this funding shall be provided in a lump sum payment for each applicable fiscal year. Provides that, for fiscal year 2009 and each fiscal year thereafter, the Secretary shall distribute an amount equal to the greater of either the appropriated amount for fiscal year 2006 or the appropriated amount for fiscal year 2008. If, for any fiscal year, the authorized amount exceeds the higher of the amount of fiscal year 2006 or fiscal year 2008, the Secretary shall distribute a portion of the excess amount to each institution according to each school's proportion of the aggregate Indian student count of the two institutions the prior academic year. Requires that funds made available under this title be subject to the Indian Self-Determination and Education Assistance Act. A selected institution may elect to receive funds in accordance with an agreement between the institution and the Secretary if the agreement exists on the date of enactment of the College Opportunity and Affordability Act of 2007. Eligibility for, or receipt of, assistance under this title shall not preclude the eligibility of the institution to receive federal financial assistance under any program of the Higher Education Act, any program under the Carl D. Perkins Career and Technical Education Act of 2006, or any other program that provides a benefit for institutions of higher education, community colleges or postsecondary educational institutions. Authorizes to be appropriated for this new subsection such sums as may be necessary for fiscal year 2008 and five succeeding fiscal years. This is the final portion of the new Subsection V of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801, et seq.). Subject to the availability of appropriations, requires the Secretary to make grants to provide support for the education and training of Indian students to institutions that are not receiving federal assistance as of the date on which the grant is provided under title I of the Tribally Controlled College or University Assistance Act of 1978 or the Navajo Community College Act. The short title of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 note; P.L. 95–471) is changed to the "Tribally Controlled Colleges and Universities Assistance Act of 1978, " and clarifies that any reference in law to the previous short title shall be considered a reference to the amended Act.

SUBPART 2—NAVAJO HIGHER EDUCATION

Sec. 931. Reauthorization of Navajo Community College Act

Section 931 amends the purpose of the act so that the purpose is to assist the Navajo Nation in providing education to tribe members through a community college established by the tribe, known as Dine College.

This section also amends the Navajo Community College Act to require the Secretary to study the academic facilities needs of Dine College and report to Congress no later than October 31, 2010. Funds to carry out this section may be drawn from general administrative appropriations to the Secretary.

This section also authorizes such sums as may be necessary for fiscal year 2008 and the succeeding five fiscal years for construction activities, including construction of buildings, water and sewer facilities, roads, information technology and telecommunications infrastructure, classrooms, and external structures. Such sums as are necessary shall also be appropriated to pay the cost of maintenance of the college, major capital improvements, mandatory payments, supplemental student services, and to improve and expand the college by providing higher education programs, career and technical education, activities relating to the preservation and protection of the Navajo language, philosophy and culture, employment and training opportunities, economic development and community outreach, and a safe learning, working and living environment.

PART C—HIGHER EDUCATION AMENDMENTS OF 1998; HIGHER EDUCATION AMENDMENTS OF 1992

Sec. 941. Grants for training for incarcerated individuals

Amends part D of title VIII of the Higher Education Amendments of 1998 to rewrite the part. Renames the part "Grants for Training for Incarcerated Individuals." Authorizes the Secretary to provide grants to the state correctional education agencies in the states and to the Federal Bureau of Prisons to assist and encourage incarcerated individuals to acquire educational and job skills through remedial coursework, the pursuit of a postsecondary education certificate or degree, and employment counseling. States and the Federal Bureau of Prisons shall award eligible students not more than $3,000 annually for tuition, books, and essential materials and $300 annually for related services. Educational services provided under this part shall be available during a student's period of incarceration and related services shall be available during a student's period of incarceration and up to one year after the student's release.

Sec. 942. Underground railroad

Amends section 841 of the Higher Education Amendments of 1998 to authorize the program at $3 million for fiscal year 2009 and such sums as may be necessary through 2013.

Sec. 943. Repeals of expired and executed provisions

Repeals expired provisions of the Higher Education Amendments of 1998. Specifically repeals section 801, section 802, section 803, part C of title VIII, part F of title VIII, and part J of title VIII.

Sec. 944. Olympic scholarships

Amends section 1543 of the Higher Education Amendments of 1992 to extend the authorization of the program.

Sec. 945. Establishment of Assistant Secretary for International and Foreign Language Education

Amends section 202 of the Department of Education Organization Act to establish an Assistant Secretary for International and Foreign Language Education, who shall have extensive background and experience in international and foreign language instruction and will report directly to the Secretary. Further amends title II of the act to establish an Office of International and Foreign Language Education, which shall have responsibility for encouraging and promoting the study of foreign languages and the study of cultures at the elementary, secondary, and postsecondary levels; administer programs on international and foreign language education and research, coordinate with related programs of other federal departments and agencies, and administer the Department's activities in international affairs.

PART D—JUSTICE DEPARTMENT PROGRAMS

Sec. 951. Loan repayment for prosecutors and defenders

Amends title I of the Omnibus Crime Control and Safe Streets Act of 1968 to add a new part JJ, titled "Loan Repayment for Prosecutors and Public Defenders." Authorizes the Attorney General, subject to the availability of appropriations, to assume the obligation to repay a student loan on behalf of a borrower who is employed as a prosecutor or public defender and is not in default on such loan. For an individual borrower, the Attorney General may assume up to $10,000 annually and $60,000 in the aggregate.

In order to be eligible for repayment benefits, the borrower must enter into a written agreement that specifies that: the borrower will remain employed as a prosecutor or public defender for a period of service not less than three years, if the borrower is separated from employment voluntarily or involuntarily the borrower will repay the amount of any benefits received under this section, and the amount shall be recoverable from the employee if the borrower fails to repay the specified amount. This part further specifies the terms under which the repayment of funds may be collected and treated.

The Attorney General must give priority to borrowers who have the least ability to repay their student loans or who have previously received benefits under this section and have completed less than three years of the first required period of service.

This part directs the Inspector General of the Department of Justice to submit a report on the cost and impact of the program. Further, the part directs the Comptroller General to conduct a study of the impact that law school accreditation requirements and other factors have on the costs of law school and student access to law school, including the impact of such requirements on racial and ethnic minorities.

Sec. 952. National Center for Campus Public Safety

Section 952 authorizes the Attorney General to make grants through the Office of Community Oriented Policing Services, to establish and operate a National Center for Campus Public Safety. The Center shall provide quality education and training for campus public safety officers; foster quality research to strengthen the safety and security of the institutions of higher education in the United States; serve as a clearinghouse for the identification and dissemination of information, policies, procedures, and best practices relevant to campus public safety; develop protocols, in conjunction with the Attorney General, the Secretary of Homeland Security, the Secretary of Education, and state, local and tribal governments and law enforcement agencies and others to prevent and protect against emergencies or dangerous situations; promote the development and dissemination of effective behavioral threat assessment; coordinate campus safety information and resources available; increase cooperation and collaboration to serve institutions of higher education; develop model formats for mutual agreements; and report annually to Congress and the Attorney General on activities performed by the Center during the previous twelve months.

This section authorizes $2.75 million for each of the fiscal years 2008 and 2009 and such sums as may be necessary thereafter.

Sec. 953. Private loan forgiveness

Section 953 amends section 209 of title 18 of the United States code by adding language that does not prohibit a public or private institution of higher education from providing an officer or employee of the executive branch or any independent agency of the United States, financial assistance for the purpose of repaying a student loan or providing a forbearance of student loan repayment. This is permitted provided that forbearance meets additional requirements.

PART E—STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT OF 1980

Sec. 961. Establishment of program

Section 961 amends the Stevenson-Wydler Technology Innovation Act of 1980 by establishing a Minority Serving Institution Digital and Wireless Technology Opportunity program at the Department of Commerce. The purpose of the program is to assist eligible institutions to improve the quality and delivery of educational services at eligible institutions. This section authorizes activities under the program and establishes an application and review process. This section also specifies matching requirements and award amounts for grantees. This section also requires grantees to submit a report to the Secretary, requires an independent assessment of the program, as well as requires a report to Congress. Finally, this section specifies terms including an eligible institution and institution of higher education, in addition to other terms.

Sec. 962. Authorization of appropriations

Section 962 authorizes $250 million for fiscal year 2008 and such sums as may be necessary for fiscal years 2009–2012.

TITLE X—PRIVATE STUDENT LOAN TRANSPARENCY AND IMPROVEMENT

Sec. 1001. Short title

States that title X may be cited as the "Private Student Loan Transparency and Improvement Act of 2007."

Sec. 1002. Definitions

Section 1002 defines the term "Board" as meaning the Board of Governors of the Federal Reserve System, the term "covered institution" as any educational institution that offers a postsecondary educational degree, certificate, or program of study and includes an agent or employee of the educational institution, the terms "Federal Banking agencies" and "appropriate Federal banking agency" as the same meaning provided in section 3 of the Federal Depository Insurance Act, the term "institution of higher education" having the same meaning as in section 102 of the Higher Education Act of 1965, the term "postsecondary educational expenses" as any of the expenses that are included as part of the cost of attendance of a student, as defined under section 472 of the Higher Education Act of 1965; the term "private educational lender" as any creditor, as that term is defined in section 103 of the Truth in Lending Act, and "private educational loan" as a loan provided by a private educational lender that is not made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 and is issued by a private educational lender expressly for postsecondary educational expenses to a student or parent of a student, but does not include an extension of credit under an open end consumer credit plan, a residential mortgage transaction, or any other loan that is secured by real property or a dwelling.

Sec. 1003. Regulations

Section 1003 provides that the Board shall issue final regulations to implement title X and the amendments made by title X not later than 180 days after the date of enactment of the title.

Sec. 1004. Effective dates

This section states that title X and the amendments made by title X shall become effective 180 days after the date on which regulations to carry out the title and the amendments made by the title are issued in final form.

SUBTITLE A—PREVENTING UNFAIR AND DECEPTIVE PRIVATE EDUCATIONAL LENDING PRACTICES AND ELIMINATING CONFLICTS OF INTEREST

Sec. 1011. Amendment to the Truth in Lending Act

Section 1011 amends Chapter 2 of the Truth in Lending Act by inserting a new section 140 titled "Preventing unfair and deceptive private educational lending practices and eliminating conflicts of interest." The new section defines "covered educational institution," "institution of higher education," "postsecondary educational expenses," "private educational lender," and "private educational loan" consistent with the definitions of the terms in section 1002. The section further defines the term "gift" as any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a

monetary value of more than a de minimus amount, including 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. The section states that the term gift does not include standard informational material related to a loan or financial literacy; food, refreshments, training, or informational material furnished to an employee or agent of an institution, as an integral part of a training session that is designed to improve the service of the private educational lender to the institution, if such training contributes to the professional development of the employee or agent of the educational institution; or favorable terms, conditions, and borrower benefits on an educational loan provided to a student employed by the institution, as long as such terms, conditions, or benefits are comparable to those provided to all students of the institution. In addition, the section defines "revenue sharing" as an arrangement between a covered educational institution and a private educational lender under which a lender provides educational loans to students at an institution, or to the parents of the students, the institution recommends to students the lender or loans of a lender, and the lender pays a fee or provides other material benefits, including profit or revenue sharing, to the institution or to the officers, employees, or agents of the institution in connection with loan. The section also prohibits revenue-sharing and loan co-branding arrangements between lenders and institutions; prohibits lenders from offering gifts to institutions or employees of institutions; bars officers, employees, or agents of an institution who are employed in the financial aid office of an institution, or who otherwise have responsibilities with respect to private education loans, from serving on or otherwise participating with advisory councils of private education lenders of affiliates of such lenders; and, prohibits lenders from charging prepayment penalties on private educational loans.

Sec. 1012. Civil liability

Section 1012 amends section 130 of the Truth in Lending Act, thereby providing for the civil liability of private educational lenders for failure to comply with specified consumer protections and provides that an action under section 130 of the Truth in Lending Act, in the case of a violation with respect to a private educational loan may be brought in any United States district court, or in any other court of competent jurisdiction, within one year from the date on which the first regular payment of principal is due for a private educational loan.

SUBTITLE B—IMPROVED DISCLOSURES FOR PRIVATE EDUCATIONAL LOANS

Sec. 1021. Private educational loan disclosures and limitations

Section 1021 amends the Truth in Lending Act by inserting a new section 128 requiring lenders to provide clear and concise disclosures regarding interest rates, fees, terms and conditions of their private educational loans to student and parent borrowers in all solicitation, approval and loan consummation material. Lenders are also required to disclose to borrowers their potential eligibility for federal financial assistance through a program under title IV of the

Higher Education Act of 1965, in lieu of, or in addition to, a loan from a non-federal source and the interest rates available with respect to such federal financial assistance through a program under title IV of the Higher Education Act of 1965. The section also requires lenders to obtain a written acknowledgment from a consumer that the consumer has read and understood the disclosures required to be provided by lenders of private educational loans. In addition, this section requires that before a lender may issue any funds with respect to a private educational loan for an amount equal to more than $1,000, the lender shall notify the relevant institution of higher education, in writing, of the proposed extension of credit and the amount thereof. The section also requires lenders to provide borrowers who have been approved for a loan with a thirty-day window to accept the terms of the loan and consummate the transaction and that the rates and terms of the loan may not be changed by the lender during such period. The section further provides borrowers with a right to cancel a loan, without penalty, at any time within three business days of the date on which a loan is consummated and prohibits a lender from disbursing any funds with respect to a private educational loan prior to the expiration of this three-day period. In addition, the section defines the term "institution of higher education" as having the same meaning as in section 102 of the Higher Education Act of 1965, the term "private educational lender" as any creditor engaged in the business of soliciting, making, or extending private educational loans, and the term "private educational loan" as a loan provided by a private education lender that is not made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 and is issued by a private educational lender expressly for postsecondary educational expenses to a student or the parent of the student and does not include an extension of credit under an open end consumer credit plan, a reverse mortgage transaction, a residential mortgage transaction, or any other loan that is secured by real property or a dwelling.

Sec. 1022. Application of Truth in Lending Act to all private educational loans

Section 1022 amends section 104(3) of the Truth in Lending Act by providing that private educational loans are not among credit transactions exempted from requirements of the Truth in Lending Act.

SUBTITLE C—FINANCIAL LITERACY

Sec. 1031. Coordinated education efforts

This section requires the Secretary of the Treasury, in coordination with the Secretary of Education, the Secretary of Agriculture, and any other appropriate agency that is a member of the Financial Literacy and Education Commission established under the Financial Literacy and Education Improvement Act to seek to enhance the financial literacy among students at institutions of higher education via the development of initiatives, programs, and curricula that improve student awareness of the short- and long-term costs associated with educational loans and other debt assumed while in college, borrowers' repayment obligations, and rights, and

by assisting students in navigating the financial aid process. In addition, the section requires the Secretary of Treasury to identify and evaluate programs at institutions of higher education that enhance the financial literacy of college students, and subsequently encourage the implementation of such programs that the department finds to be most effective. The section further requires the Financial Literacy and Education Commission to submit a report to Congress on the state of financial education among students at institutions of higher education, including a description of progress made in enhancing financial education with respect to student understanding of financial aid, and the program and evaluations required under this section.

SUBTITLE D—STUDY AND REPORT ON NONINDIVIDUAL INFORMATION

Sec. 1041. Study and report on nonindividual information

This section requires the Comptroller General of the United States to prepare a report on the impact of nonindividual factors, such as cohort default rate and graduation rates, on the pricing of private educational loans among institutions of higher education. The section also requires the report to include an examination of the extent to which such factors affect the availability of private loans to certain borrowers or certain schools. Further, the section requires the Comptroller General to submit the report to Congress not later than one year after the date of enactment of this title.

SUBTITLE E—INCENTIVES FOR LOW-COST EDUCATIONAL LOANS

Sec. 1051. CRA credit for low-cost educational loans

This section amends section 804 of the Community Reinvestment Act of 1977 by adding a new subsection (d) that requires the appropriate federal financial supervisory agency to consider, as a factor, low-cost educational loans provided by a financial institution to low-income borrowers in assessing and taking into account the record of a financial institution in meeting the credit needs of its local communities.

VI. Explanation of Amendments

The Amendment in the Nature of a Substitute, as amended, is explained in the body of this report.

VII. Applicaton of Law to the Legislative Branch

Section 102(b)(3) of Public Law 104–1, the Congressional Accountability Act, requires a description of the application of this bill to the legislative branch. H.R. 4137 reauthorizes the Higher Education Act. The bill does not prevent legislative branch employees' coverage under this legislation.

VIII. Unfunded Mandate Statement

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by section 101(a)(2) of the Unfunded Mandates Reform Act, P.L. 104–4) requires a statement of whether the provisions of the reported bill include unfunded mandates. H.R. 4137 contains no intergovernmental or private-sector mandates as defined by the Unfunded Mandates Reform Act (UMRA).

IX. Earmark Statement

H.R. 4137 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clauses 9(d), 9(e), or 9(f) of rule XXI of the House of Representatives.

X. Roll Call

COMMITTEE ON EDUCATION AND LABOR

ROLL CALL: 1 BILL: H.R. 4137 DATE : 11/15/2007
AMENDMENT NUMBER: 6 PASSED: 24 AYES / 16 NOES
SPONSOR/AMENDMENT: ALTMIRE/WOOLSEY / COMPETITIVE GRANTS TO COLLEGES (WORKFORCE PARTNERSHIPS)

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. MILLER, Chairman	X			
Mr. KILDEE, Vice Chairman	X			
Mr. PAYNE	X			
Mr. ANDREWS	X			
Mr. SCOTT	X			
Ms. WOOLSEY	X			
Mr. HINOJOSA	X			
Mrs. McCARTHY	X			
Mr. TIERNEY	X			
Mr. KUCINICH				X
Mr. WU	X			
Mr. HOLT	X			
Mrs. SUSAN DAVIS	X			
Mr. DANNY DAVIS	X			
Mr. GRIJALVA	X			
Mr. TIMOTHY BISHOP	X			
Ms. SANCHEZ				X
Mr. SARBANES				X
Mr. SESTAK	X			
Mr. LOEBSACK	X			
Ms. HIRONO	X			
Mr. ALTMIRE	X			
Mr. YARMUTH	X			
Mr. HARE	X			
Ms. CLARKE	X			
Mr. COURTNEY	X			
Ms. SHEA-PORTER	X			
Mr. McKEON		X		
Mr. PETRI		X		
Mr. HOEKSTRA				X
Mr. CASTLE		X		
Mr. SOUDER				X
Mr. EHLERS		X		
Mrs. BIGGERT				X
Mr. PLATTS				X
Mr. KELLER		X		
Mr. WILSON		X		
Mr. KLINE		X		
Mrs. McMORRIS RODGERS		X		
Mr. MARCHANT		X		
Mr. PRICE		X		
Mr. FORTUÑO				X
Mr. BOUSTANY		X		
Mrs. FOXX		X		
Mr. KUHL	X			
Mr. ROB BISHOP				X
Mr. DAVID DAVIS		X		
Mr. WALBERG		X		
Mr. HELLER		X		
TOTALS	**24**	**16**		**9**

COMMITTEE ON EDUCATION AND LABOR

ROLL CALL: 2 **BILL: H.R. 4137** **DATE : 11/15/2007**
AMENDMENT NUMBER: 15 **DEFEATED: 13 AYES / 28 NOES**
SPONSOR/AMENDMENT: KELLER / LENDER ACCESS FFEL AT DIRECT LENDING SCHOOLS

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. MILLER, Chairman		X		
Mr. KILDEE, Vice Chairman		X		
Mr. PAYNE		X		
Mr. ANDREWS		X		
Mr. SCOTT		X		
Ms. WOOLSEY		X		
Mr. HINOJOSA		X		
Mrs. McCARTHY		X		
Mr. TIERNEY		X		
Mr. KUCINICH				X
Mr. WU		X		
Mr. HOLT		X		
Mrs. SUSAN DAVIS		X		
Mr. DANNY DAVIS		X		
Mr. GRIJALVA		X		
Mr. TIMOTHY BISHOP		X		
Ms. SANCHEZ				X
Mr. SARBANES				X
Mr. SESTAK		X		
Mr. LOEBSACK		X		
Ms. HIRONO		X		
Mr. ALTMIRE		X		
Mr. YARMUTH		X		
Mr. HARE		X		
Ms. CLARKE		X		
Mr. COURTNEY		X		
Ms. SHEA-PORTER		X		
Mr. McKEON	X			
Mr. PETRI		X		
Mr. HOEKSTRA				X
Mr. CASTLE		X		
Mr. SOUDER	X			
Mr. EHLERS		X		
Mrs. BIGGERT				X
Mr. PLATTS				X
Mr. KELLER	X			
Mr. WILSON	X			
Mr. KLINE	X			
Mrs. McMORRIS RODGERS	X			
Mr. MARCHANT	X			
Mr. PRICE	X			
Mr. FORTUÑO				X
Mr. BOUSTANY	X			
Mrs. FOXX	X			
Mr. KUHL	X			
Mr. ROB BISHOP				X
Mr. DAVID DAVIS	X			
Mr. WALBERG		X		
Mr. HELLER	X			
TOTALS	**13**	**28**		**8**

COMMITTEE ON EDUCATION AND LABOR

ROLL CALL: 3 **BILL: H.R. 4137** **DATE : 11/15/2007**
AMENDMENT NUMBER: 16 **DEFEATED: 17 AYES / 24 NOES**
SPONSOR/AMENDMENT: KELLER / PELL TUITION

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. MILLER, Chairman		X		
Mr. KILDEE, Vice Chairman		X		
Mr. PAYNE		X		
Mr. ANDREWS		X		
Mr. SCOTT		X		
Ms. WOOLSEY		X		
Mr. HINOJOSA		X		
Mrs. McCARTHY		X		
Mr. TIERNEY		X		
Mr. KUCINICH				X
Mr. WU		X		
Mr. HOLT		X		
Mrs. SUSAN DAVIS		X		
Mr. DANNY DAVIS		X		
Mr. GRIJALVA		X		
Mr. TIMOTHY BISHOP		X		
Ms. SANCHEZ				X
Mr. SARBANES				X
Mr. SESTAK		X		
Mr. LOEBSACK		X		
Ms. HIRONO		X		
Mr. ALTMIRE		X		
Mr. YARMUTH		X		
Mr. HARE		X		
Ms. CLARKE		X		
Mr. COURTNEY		X		
Ms. SHEA-PORTER		X		
Mr. McKEON	X			
Mr. PETRI	X			
Mr. HOEKSTRA				X
Mr. CASTLE	X			
Mr. SOUDER	X			
Mr. EHLERS	X			
Mrs. BIGGERT				X
Mr. PLATTS				X
Mr. KELLER	X			
Mr. WILSON	X			
Mr. KLINE	X			
Mrs. McMORRIS RODGERS	X			
Mr. MARCHANT	X			
Mr. PRICE	X			
Mr. FORTUÑO				X
Mr. BOUSTANY	X			
Mrs. FOXX	X			
Mr. KUHL	X			
Mr. ROB BISHOP				X
Mr. DAVID DAVIS	X			
Mr. WALBERG	X			
Mr. HELLER	X			
TOTALS	**17**	**24**		**8**

COMMITTEE ON EDUCATION AND LABOR

ROLL CALL: 4 **BILL: H.R. 4137** **DATE : 11/15/2007**
AMENDMENT NUMBER: 20 **DEFEATED: 19 AYES / 23 NOES**
SPONSOR/AMENDMENT: SOUDER / ACADEMIC BILL OF RIGHTS

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. MILLER, Chairman		X		
Mr. KILDEE, Vice Chairman		X		
Mr. PAYNE		X		
Mr. ANDREWS		X		
Mr. SCOTT		X		
Ms. WOOLSEY		X		
Mr. HINOJOSA		X		
Mrs. McCARTHY		X		
Mr. TIERNEY		X		
Mr. KUCINICH				X
Mr. WU	X			
Mr. HOLT		X		
Mrs. SUSAN DAVIS		X		
Mr. DANNY DAVIS		X		
Mr. GRIJALVA		X		
Mr. TIMOTHY BISHOP		X		
Ms. SANCHEZ				X
Mr. SARBANES				X
Mr. SESTAK		X		
Mr. LOEBSACK		X		
Ms. HIRONO		X		
Mr. ALTMIRE		X		
Mr. YARMUTH		X		
Mr. HARE		X		
Ms. CLARKE		X		
Mr. COURTNEY		X		
Ms. SHEA-PORTER		X		
Mr. McKEON	X			
Mr. PETRI	X			
Mr. HOEKSTRA				X
Mr. CASTLE	X			
Mr. SOUDER	X			
Mr. EHLERS	X			
Mrs. BIGGERT				X
Mr. PLATTS				X
Mr. KELLER	X			
Mr. WILSON	X			
Mr. KLINE	X			
Mrs. McMORRIS RODGERS	X			
Mr. MARCHANT	X			
Mr. PRICE	X			
Mr. FORTUÑO				X
Mr. BOUSTANY	X			
Mrs. FOXX	X			
Mr. KUHL	X			
Mr. ROB BISHOP	X			
Mr. DAVID DAVIS	X			
Mr. WALBERG	X			
Mr. HELLER	X			
TOTALS	**19**	**23**		**7**

COMMITTEE ON EDUCATION AND LABOR

ROLL CALL: 5 **BILL: H.R. 4137** **DATE : 11/15/2007**
AMENDMENT NUMBER: 24 **DEFEATED: 16 AYES / 26 NOES**
SPONSOR/AMENDMENT: PRICE / PERFORMANCE PAY/TEACHER RECRUITMENT

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. MILLER, Chairman		X		
Mr. KILDEE, Vice Chairman		X		
Mr. PAYNE		X		
Mr. ANDREWS		X		
Mr. SCOTT		X		
Ms. WOOLSEY		X		
Mr. HINOJOSA		X		
Mrs. McCARTHY		X		
Mr. TIERNEY		X		
Mr. KUCINICH				X
Mr. WU		X		
Mr. HOLT		X		
Mrs. SUSAN DAVIS		X		
Mr. DANNY DAVIS		X		
Mr. GRIJALVA		X		
Mr. TIMOTHY BISHOP		X		
Ms. SANCHEZ		X		
Mr. SARBANES				X
Mr. SESTAK		X		
Mr. LOEBSACK		X		
Ms. HIRONO		X		
Mr. ALTMIRE		X		
Mr. YARMUTH		X		
Mr. HARE		X		
Ms. CLARKE		X		
Mr. COURTNEY		X		
Ms. SHEA-PORTER		X		
Mr. McKEON	X			
Mr. PETRI	X			
Mr. HOEKSTRA				X
Mr. CASTLE	X			
Mr. SOUDER	X			
Mr. EHLERS	X			
Mrs. BIGGERT				X
Mr. PLATTS				X
Mr. KELLER	X			
Mr. WILSON	X			
Mr. KLINE	X			
Mrs. McMORRIS RODGERS	X			
Mr. MARCHANT	X			
Mr. PRICE	X			
Mr. FORTUÑO				X
Mr. BOUSTANY	X			
Mrs. FOXX	X			
Mr. KUHL		X		
Mr. ROB BISHOP				X
Mr. DAVID DAVIS	X			
Mr. WALBERG	X			
Mr. HELLER	X			
TOTALS	**16**	**26**		**7**

COMMITTEE ON EDUCATION AND LABOR

ROLL CALL: 6 **BILL: H.R. 4137** **DATE : 11/15/2007**
AMENDMENT NUMBER: 30 **DEFEATED: 19 AYES / 25 NOES**
SPONSOR/AMENDMENT: MCMORRIS RODGERS / ADJUNCT TEACHER CORPS

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. MILLER, Chairman		X		
Mr. KILDEE, Vice Chairman		X		
Mr. PAYNE		X		
Mr. ANDREWS		X		
Mr. SCOTT		X		
Ms. WOOLSEY		X		
Mr. HINOJOSA		X		
Mrs. McCARTHY		X		
Mr. TIERNEY		X		
Mr. KUCINICH				X
Mr. WU		X		
Mr. HOLT		X		
Mrs. SUSAN DAVIS		X		
Mr. DANNY DAVIS		X		
Mr. GRIJALVA		X		
Mr. TIMOTHY BISHOP		X		
Ms. SANCHEZ		X		
Mr. SARBANES		X		
Mr. SESTAK	X			
Mr. LOEBSACK		X		
Ms. HIRONO		X		
Mr. ALTMIRE		X		
Mr. YARMUTH		X		
Mr. HARE		X		
Ms. CLARKE		X		
Mr. COURTNEY		X		
Ms. SHEA-PORTER		X		
Mr. McKEON	X			
Mr. PETRI	X			
Mr. HOEKSTRA				X
Mr. CASTLE	X			
Mr. SOUDER	X			
Mr. EHLERS	X			
Mrs. BIGGERT				X
Mr. PLATTS				X
Mr. KELLER	X			
Mr. WILSON	X			
Mr. KLINE	X			
Mrs. McMORRIS RODGERS	X			
Mr. MARCHANT	X			
Mr. PRICE	X			
Mr. FORTUÑO				X
Mr. BOUSTANY	X			
Mrs. FOXX	X			
Mr. KUHL	X			
Mr. ROB BISHOP	X			
Mr. DAVID DAVIS	X			
Mr. WALBERG	X			
Mr. HELLER	X			
TOTALS	**19**	**25**		**5**

COMMITTEE ON EDUCATION AND LABOR

ROLL CALL: 7 **BILL: H.R. 4137** **DATE : 11/15/2007**
AMENDMENT NUMBER: 37 **PASSED: 29 AYES / 15 NOES**
SPONSOR/AMENDMENT: SCOTT / APPEAL PROCESS FOR TRIO PROGRAMS

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. MILLER, Chairman	X			
Mr. KILDEE, Vice Chairman	X			
Mr. PAYNE	X			
Mr. ANDREWS	X			
Mr. SCOTT	X			
Ms. WOOLSEY	X			
Mr. HINOJOSA	X			
Mrs. McCARTHY	X			
Mr. TIERNEY	X			
Mr. KUCINICH				X
Mr. WU	X			
Mr. HOLT	X			
Mrs. SUSAN DAVIS	X			
Mr. DANNY DAVIS	X			
Mr. GRIJALVA	X			
Mr. TIMOTHY BISHOP	X			
Ms. SANCHEZ	X			
Mr. SARBANES	X			
Mr. SESTAK	X			
Mr. LOEBSACK	X			
Ms. HIRONO	X			
Mr. ALTMIRE	X			
Mr. YARMUTH	X			
Mr. HARE	X			
Ms. CLARKE	X			
Mr. COURTNEY	X			
Ms. SHEA-PORTER	X			
Mr. McKEON		X		
Mr. PETRI	X			
Mr. HOEKSTRA				X
Mr. CASTLE	X			
Mr. SOUDER		X		
Mr. EHLERS	X			
Mrs. BIGGERT				X
Mr. PLATTS				X
Mr. KELLER		X		
Mr. WILSON		X		
Mr. KLINE		X		
Mrs. McMORRIS RODGERS		X		
Mr. MARCHANT		X		
Mr. PRICE		X		
Mr. FORTUÑO				X
Mr. BOUSTANY		X		
Mrs. FOXX		X		
Mr. KUHL		X		
Mr. ROB BISHOP		X		
Mr. DAVID DAVIS		X		
Mr. WALBERG		X		
Mr. HELLER		X		
TOTALS	**29**	**15**		**5**

COMMITTEE ON EDUCATION AND LABOR

ROLL CALL: 8 BILL: H.R. 4137 DATE : 11/15/2007
AMENDMENT NUMBER PASSED: 45 AYES / 0 NOES
SPONSOR/AMENDMENT: HINOJOSA / FAVORABLY REPORT THE BILL, AS AMENDED, TO THE HOUSE

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. MILLER, Chairman	X			
Mr. KILDEE, Vice Chairman	X			
Mr. PAYNE	X			
Mr. ANDREWS	X			
Mr. SCOTT	X			
Ms. WOOLSEY	X			
Mr. HINOJOSA	X			
Mrs. McCARTHY	X			
Mr. TIERNEY	X			
Mr. KUCINICH				X
Mr. WU	X			
Mr. HOLT	X			
Mrs. SUSAN DAVIS	X			
Mr. DANNY DAVIS	X			
Mr. GRIJALVA	X			
Mr. TIMOTHY BISHOP	X			
Ms. SANCHEZ	X			
Mr. SARBANES	X			
Mr. SESTAK	X			
Mr. LOEBSACK	X			
Ms. HIRONO	X			
Mr. ALTMIRE	X			
Mr. YARMUTH	X			
Mr. HARE	X			
Ms. CLARKE	X			
Mr. COURTNEY	X			
Ms. SHEA-PORTER	X			
Mr. McKEON	X			
Mr. PETRI	X			
Mr. HOEKSTRA				X
Mr. CASTLE	X			
Mr. SOUDER	X			
Mr. EHLERS	X			
Mrs. BIGGERT	X			
Mr. PLATTS	X			
Mr. KELLER	X			
Mr. WILSON	X			
Mr. KLINE	X			
Mrs. McMORRIS RODGERS	X			
Mr. MARCHANT	X			
Mr. PRICE	X			
Mr. FORTUÑO				X
Mr. BOUSTANY	X			
Mrs. FOXX				X
Mr. KUHL	X			
Mr. ROB BISHOP	X			
Mr. DAVID DAVIS	X			
Mr. WALBERG	X			
Mr. HELLER	X			
TOTALS	**45**			**4**

XI. 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 body of this report.

XII. New Budget Authority and CBO Cost Estimate

With respect to the requirements of 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 with respect to requirements of 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. 4137 from the Director of the Congressional Budget Office:

U.S. Congress,
Congressional Budget Office,
Washington, DC, December 18, 2007.

Hon. George Miller,
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. 4137, the Higher Education Amendments of 2007.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Jessica Sherry.

Sincerely,

Robert A. Sunshine
(For Peter R. Orszag, Director).

Enclosure.

H.R. 4137—Higher Education Amendments of 2007

Summary: H.R. 4137 would reauthorize and amend most postsecondary education programs under the Higher Education Act of 1965 through 2013. Under the General Education Provisions Act, those authorizations would automatically be extended through 2014. The bill also would create several new student and institutional aid programs and amend several other acts.

CBO estimates that enacting the bill would increase direct spending by $75 million in 2008 and decrease direct spending by $27 million over the 2008–2017 period. For discretionary programs, CBO estimates that implementing H.R. 4137 would cost $97.4 billion over the 2008–2012 period, assuming appropriation of the necessary amounts.

H.R. 4137 contains several intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). CBO estimates that the aggregate costs to state, local, and tribal governments and private entities to comply with those mandates would not exceed the thresholds established in UMRA ($66 million in 2007 and $131 million in 2007, respectively, adjusted annually for inflation).

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 4137 is shown in Table 1. The costs of this

legislation fall within budget function 500 (education, training, employment, and social services).

TABLE 1.—ESTIMATED BUDGETARY IMPACT OF H.R. 4137

	By fiscal year, in millions of dollars—					
	2008	2009	2010	2011	2012	2008–2012
CHANGES IN DIRECT SPENDING [1]						
Estimated Budget Authority	−3	−3	−3	−3	−3	−15
Estimated Outlays	75	−3	−53	−28	−3	−12
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level	504	29,597	30,469	31,342	31,858	123,767
Estimated Outlays	5	7,165	28,278	30,381	31,609	97,435

Note: Components may not sum to totals because of rounding.

[1] In addition, H.R. 4137 would reduce direct spending by $3 million per year over the 2013–2017 period and by a total of $27 million over the 2008–2017 period. H.R. 4137 also would affect revenues by a negligible amount in every year and over the 2008–2017 period.

Basis of estimate: For the purposes of this estimate, CBO assumes that H.R. 4137 will be enacted in fiscal year 2008 and that sufficient funds will be appropriated for each program. For current programs that would remain unchanged, CBO assumes continued funding at their 2007 levels adjusted for inflation. The estimate does not address the changes to the student loan programs and to the Pell Grant Program included in the College Cost Reduction and Access Act (CCRAA, Public Law 110–84), which was signed into law on September 27, 2007.

Direct spending and revenues

CBO estimates that enacting H.R. 4137 would increase direct spending by $75 million in 2008 and decrease it by $27 million over the 2008–2017 period. Most of those effects stem from changes affecting eligibility for federal student loan programs and the Academic Competitiveness and SMART Grant programs.

Federal Student Loan Programs. H.R. 4137 would make several changes to the calculations of needs analysis and the rules governing the eligibility of students and institutions for the federal student loan programs. Under current law, the "cohort default rate" is defined as the percentage of a school's borrowers who enter repayment during one fiscal year and then default prior to the end of the next fiscal year. H.R. 4137 would change the definition of the cohort default rate by also counting defaults for an additional fiscal year, which would raise cohort default rates for many institutions. Because schools with a cohort default rate over a specified level are ineligible to participate in Title IV student aid programs, CBO projects that the change to the definition of the cohort default rate would reduce the number of schools eligible to participate in the student loan programs. Accordingly, CBO estimates this reduction in loan volume would reduce direct spending by $12 million over the 2008–2012 period and by $27 million over the 2008–2017 period.

Academic Competitiveness and SMART Grant Programs. For both the Academic Competitiveness Grant and SMART Grant Programs, the bill would adjust how a student's academic year is determined and expand eligibility to part-time students. Currently, only full-time students are eligible for grants. Appropriations for those programs are capped at specified amounts and the Secretary of Education has the authority to reduce award levels to stay with-

in the appropriation. CBO estimates those changes would increase outlays by $75 million in fiscal year 2008 and would reduce outlays by the same amount in future years.

Private Student Loan Transparency and Improvement. Title X would require the Board of Governors of the Federal Reserve and other financial regulatory agencies to issue regulations and supervise compliance with the new lending standards and procedures in the bill. Based on information from the Federal Reserve and other agencies, those regulatory activities would have no significant effect on their workload or budgets. The budgetary effects on the Federal Reserve are recorded as changes in revenues (governmental receipts). Costs incurred by the other financial regulatory agencies affect direct spending, but most of those expenses are offset by fees or income from insurance premiums. Thus, CBO estimates that enacting this bill would reduce revenues by less than $500,000 in every year and over the 2008–2017 period, and would have a negligible net effect on direct spending.

The National Center for Learning Science and Technology Trust Fund. The bill also would create the National Center for Learning Science and Technology to support basic and applied research. While federal funding for the program would be subject to appropriations (see the discussion below under the heading "Spending Subject to Appropriation"), the bill would establish a trust fund that could accept gifts from nonfederal sources and spend any proceeds. CBO estimates that this trust fund would have a negligible affect on revenues and direct spending.

Spending subject to appropriation

The bill would reauthorize and amend many of the discretionary programs previously authorized by the Higher Education Act of 1965 and would authorize a number of new discretionary programs. In total, CBO estimates that implementing this legislation would increase discretionary outlays by $97.4 billion over the 2008–2012 period, assuming the appropriation of the necessary amounts, as shown in Table 2.

Title I. The title would reauthorize funding for a grant program designed to prevent alcohol and drug abuse and would require the Department of Education to perform several studies and prepare reports. CBO estimates that funding those activities would increase outlays by $16 million over the 2008–2012 period.

Title II. CBO estimates that reauthorizing funding for programs in title II would result in outlays of $1.8 billion over the 2008–2012 period, assuming appropriation of the necessary amounts.

Title II would authorize the appropriation of $400 million for fiscal year 2009 and such sums as may be necessary for 2010 and 2011 for two programs that provide grants to aid in the recruitment and professional development of teachers. CBO estimates that discretionary costs for those programs would increase by $1.1 billion over the 2008–2012 period, assuming annual adjustments for inflation.

In addition, title II would authorize the appropriation of such sums as may be necessary for 2009 and each of the next four years to carry out a new program under which grants would be provided to enhance teacher education. Based on data for similar comparative grant awards, CBO estimates that about 600 eligible entities

would receive grants under this program in 2009. Accordingly, CBO estimates that implementing the Enhancing Teacher Education program would increase discretionary costs by $760 million over the 2008–2012 period.

Title III. This title would reauthorize and amend programs that provide aid to institutions and would create several new programs for the same purpose. Those programs are designed to give financial assistance to institutions of higher education that serve a high percentage of minority and low-income students and to help those institutions develop and improve the quality of education they offer such students. H.R. 4137 would authorize the appropriation of $767 million in 2009 and such sums as may be necessary for 2010 through 2013 for those programs. Based on historical spending patterns and adjusting for inflation, CBO estimates that implementing title III would result in increased outlays of $2.1 billion over the 2008–2012 period, assuming the appropriation of the estimated amounts.

TABLE 2.—CHANGES IN SPENDING SUBJECT TO APPROPRIATION UNDER H.R. 4137

	By fiscal year, in millions of dollars—					
	2008	2009	2010	2011	2012	2008–2012
Title I:						
Estimated Authorization Level	0	7	5	5	5	23
Estimated Outlays	0	0	5	5	5	16
Title II:						
Estimated Authorization Level	0	681	688	701	291	2,362
Estimated Outlays	0	34	498	626	676	1,834
Title III:						
Estimated Authorization Level	0	767	781	795	810	3,153
Estimated Outlays	0	38	561	709	791	2,099
Title IV:						
Estimated Authorization Level	−76	26,464	27,288	28,104	28,982	110,763
Estimated Outlays	−17	6,791	25,872	27,451	28,416	88,513
Title V:						
Estimated Authorization Level	0	300	305	311	317	1,233
Estimated Outlays	0	15	219	277	309	821
Title VI:						
Estimated Authorization Level	0	120	122	124	127	493
Estimated Outlays	0	6	88	111	124	328
Title VII:						
Estimated Authorization Level	0	355	361	368	375	1,459
Estimated Outlays	0	18	259	328	366	971
Title VIII:						
Estimated Authorization Level	2	263	266	271	276	1,079
Estimated Outlays	0	15	192	242	270	719
Title IX:						
Estimated Authorization Level	576	639	650	662	675	3,186
Estimated Outlays	21	246	584	632	651	2,134
Title X:						
Estimated Authorization Level	2	0	0	0	0	0
Estimated Outlays	1	1	0	0	0	0
Total:						
Estimated Authorization Level	504	29,597	30,469	31,342	31,858	123,767
Estimated Outlays	5	7,165	28,278	30,381	31,609	97,435

Note: Components may not sum to totals because of rounding.

Title IV. CBO estimates that implementing title IV would increase discretionary costs by $88.5 billion over the 2008–2012 period for student assistance programs.

Pell Grant Program. Title IV would make changes to the Pell Grant Program, which provides grants to low-income under-

graduate students. The CCRAA extended the underlying authorization for Pell grants through fiscal year 2017 but did not establish a maximum award level for any year. (The maximum award level of $4,310 was set most recently in the appropriation for 2007.) H.R. 4137 would raise the maximum award level from $4,310 to $9,000 for academic years 2009–2010 through 2013–2014. CBO estimates those changes would increase discretionary costs for Pell grants by $67.7 billion over the 2009–2012 period.

The title also would allow students who are enrolled year-round at two-year or four-year institutions to receive more than one Pell grant for that year and would prohibit grants to individuals that meet specific criteria. As discussed above under the heading "Direct Spending," the bill would alter the needs analysis for students and definitions and rules relating to institutional eligibility for financial aid. CBO estimates that those changes would increase discretionary costs in the Pell Grant Program by approximately $200 million over the 2008–2012 period.

Perkins Loan Program. The title would require the department to cancel an increased number of loans for students who meet specific criteria defined in the bill and who had received Perkins loans while enrolled in a institution of higher education. The bill also would authorize the Secretary to make increased contributions to student loan revolving funds held by colleges and universities for fiscal year 2009 and for each of the next five years, which would increase the amount of funds that could be loaned out. When those loans are cancelled, current law requires the department to reimburse the schools that make those loans for the cost of the loan cancellation. (These costs are treated as discretionary costs in the budget.) CBO estimates that this provision would increase discretionary costs by $735 million over the 2009–2012 period.

Loan Forgiveness. Title IV would create a new program to forgive loans to borrowers that work in a variety of public-sector jobs. For each year of full-time employment in those jobs, a borrower could have up to $2,000 forgiven, up to a lifetime maximum of $10,000. The bill would authorize the appropriation of such sums as may be necessary for each of fiscal years 2009 through 2013 for such loan forgiveness. CBO estimates that this provision would increase discretionary costs by $7.8 billion over the 2008–2012 period.

Other Programs. Title IV would authorize the appropriation of about $4 billion for fiscal year 2009 and such sums as may be necessary for fiscal years 2010 through 2013 for many student assistance programs. This title would further authorize the appropriation of such sums as may be necessary for 2009 through 2013 for all other student assistance programs under title IV. Based on historical spending patterns, CBO estimates that implementing those programs would increase discretionary costs by $12.8 billion over the 2009–2012 period.

Title V. The bill would authorize the appropriation of $300 million in 2009 and such sums as may be necessary for each of the next four years to operate programs that provide grants to institutions to help expand and improve educational opportunities for Hispanic Americans. Assuming appropriation of the estimated amounts, CBO estimates that implementing those programs would

cost $821 million over the 2008–2012 period if adjusted annually for inflation.

Title VI. The bill would authorize the appropriation of $108 million in 2009 and such sums as may be necessary for each of the next four years to operate existing programs related to international education and foreign language studies. Additionally, the bill would authorize the appropriation of such sums as may be necessary in 2009 and for each of the next four years to implement new programs detailed in the title. Based on similar programs and current spending patterns, CBO estimates that implementing title VI would cost $328 million over the 2008–2012 period, assuming the appropriation of the estimated amounts.

Title VII. In total, CBO estimates that providing assistance under title VII would cost $971 million over the 2008–2012 period, assuming appropriation of the estimated amounts.

Title VII would authorize the appropriation of $180 million in 2009 and such sums as may be necessary for each of the next four years to support a variety of graduate and postsecondary improvement programs. CBO estimates that implementing those programs would increase discretionary costs by $312 million over the 2009–2012 period.

Additionally, H.R. 4137 would establish the Patsy T. Mink Fellowship Program and would authorize the annual appropriation of such sums as may be necessary for 2009 through 2013. Under this program, institutions that receive grants would have to make at least 15 fellowship awards consisting of a stipend equal to the level of support provided to the graduate fellows at the National Science Foundation (NSF). Based on the number of institutions that grant advanced degrees in the United States and information from the NSF, CBO estimates that implementing this program would increase discretionary costs by $358 million over the 2008–2012 period.

Title VIII. H.R. 4137 would add title VIII to the Higher Education Act of 1965 and would authorize the department to establish several new programs to support institutions of higher education. Overall, CBO estimates that it would cost $719 million over the 2008–2012 period to carry out title VIII, assuming appropriation of the estimated amounts. Major provisions of the title would:

- Authorize grants to improve remedial education. Based on data from the National Center for Education Statistics concerning the level of participation in remedial education opportunities at institutions of higher education, CBO estimates implementing this would increase discretionary costs by $140 million over the 2008–2012 period.
- Authorize the appropriation of $40 million for 2009 and such sums as may be necessary for each of the next four years to give grants to institutions to establish degrees that focus on computer modeling and simulation. Based on historical spending patterns, CBO estimates that implementing that program would increase discretionary costs by $109 million over the 2008–2012 period.
- Create a competitive grant program designed to expand opportunities for worksite learning at institutions of higher education. Based on information from industry groups, CBO estimates that about 100 partnerships might receive an average grant of $300,000 in 2009. CBO estimates that providing grants to these partnerships

would increase discretionary costs by $82 million over the 2008–2012 period.

• Create a competitive grant program to help institutions develop emergency communications systems. Based on information from the Department of Education about similar programs, CBO estimates that operating this grant program would increase discretionary costs by $68 million over the 2008–2012 period.

Title IX. CBO estimates that implementing title IX would result in outlays of about $2.1 billion over the 2008–2012 period, assuming the appropriation of the estimated amounts.

Specifically the bill would:

• Create a program to assist eligible institutions in acquiring digital and wireless networking technologies. The bill would authorize the appropriation of $250 million in 2008 and such sums as may be necessary to run the program in each year 2009 through 2012. CBO estimates that implementing this program would increase discretionary costs by $946 million over the 2008–2012 period, assuming annual adjustments for inflation.

• Amend laws related to providing postsecondary education to Native Americans. The bill would allow biological children of enrolled tribe members to be officially counted as Native Americans, raise the authorized grant level per individual from $6,000 to $8,000 in 2008, and would adjust those levels for inflation. Accounting for those and other changes, CBO estimates that implementing those amendments would increase discretionary costs by $434 million over the 2008–2012 period.

• Reauthorize support for Gallaudet University and the Laurent Clerc National Deaf Education Center. Based on the amount provided to Gallaudet University in 2007 ($107 million) and assuming annual adjustments for inflation, CBO estimates that providing this support would increase discretionary costs by $341 million over the 2008–2012 period.

• Reauthorize programs run by the National Technical Institute for the Deaf. Based on the amount provided to the institute in 2007 ($57 million) and assuming annual adjustments for inflation, CBO estimates that this provision would increase discretionary costs by $178 million over the 2008–2012 period.

• Expand a program under which grants are provided to states for the training of incarcerated individuals. The bill would authorize the appropriation of such sums as may be necessary for fiscal years 2008 through 2013 for this program. Based on data from the Bureau of Justice Statistics, CBO estimates that the change in the age limitation for this program would increase the number of people eligible for services under this program by about 80 percent. CBO estimates that implementing this program would increase discretionary costs by $120 million over the 2008–2012 period.

• Create a new program that would allow the Department of Justice to forgive student loans for individuals employed as prosecutors and public defenders. The bill would authorize the appropriation of $25 million for each of the fiscal years 2008 through 2013 for such loan forgiveness. Based on historical spending patterns, CBO estimates that this loan repayment program would cost $83 million over the 2008–2012 period, assuming the appropriation of the authorized amounts.

Title X. This title would direct the Treasury Department and the Government Accountability Office to prepare reports on issues related to private-sector financing of post-secondary education. Based on information from the affected agencies, CBO estimates that preparing these reports would cost approximately $2 million over the 2008–2009 period, assuming the availability of appropriated funds.

Intergovernmental and private-sector impact: H.R. 4137 contains several intergovernmental and private-sector mandates as defined in UMRA. CBO estimates that the aggregate costs to state, local, and tribal governments and private entities to comply with those mandates would not exceed the thresholds established in UMRA ($66 million in 2007 and $131 million in 2007, respectively, adjusted annually for inflation).

CBO estimates that several of the mandates would impose modest costs on public and private entities. Specifically, the bill would:

• Require institutions of higher education that increase tuition by more than the average across all institutions to create a quality-efficiency task force to review the operations of the institution and to report on the factors that lead to the increase. Although as many as 1,500 institutions may be required to produce such reports, CBO expects the cost to produce such reports to be modest.

• Require institutions of higher education to provide textbook information as part of their class schedules. Most schools currently post those schedules online and have mechanisms for collecting course information from professors. This mandate would require small modifications to those systems.

• Prohibit public and private colleges and universities from receiving gifts from private lenders in exchange for any advantage or consideration provided to those lenders. Those schools also would be prohibited from engaging in revenue-sharing agreements and co-branding with private lenders. CBO estimates the direct cost to comply with that mandate would be small because the prohibited practices are rare.

• Increase disclosure requirements for public and private lenders who make educational loans not backed by the federal government. The bill would require lenders to give applicants a certain period of time to accept a loan after approval and to change their minds after accepting. The direct cost of initially complying with these mandates would include the cost to a small number of lenders of developing and reviewing new disclosure information for advertising and modifying existing disclosure forms. According to industry sources, the major ongoing cost would be the cost of fielding questions about the new and somewhat different disclosure forms.

• Require publishers of college textbooks, including public university presses, to provide certain information to those individuals that make decisions on which texts are used in classes. This information is readily available to publishers and CBO estimates the cost of disseminating it would be modest.

• Require those publishers to make supplemental materials normally sold with textbooks available for purchase separately. According to industry sources, the components of textbooks packaged with other materials are generally available for separate purchase. Furthermore, the added packaging and administrative costs would be modest.

The bill contains several additional intergovernmental and private-sector mandates. CBO expects, however, that these requirements would not impose significant costs on public or private entities. Specifically, the bill would:

• Require institutions of higher education that have students who obtain private educational loans to develop and publish a code of conduct that prohibits a conflict of interest with respect to educational loans.

• Require institutions that have lost recognition by the Secretary of Education as a legitimate institution for immigration and federal employment hiring purposes to remove an indication on its web site that it has that recognition.

• Require institutions to submit a report to the Secretary if they require servicemembers who had to withdraw from school because they were called to active duty to reapply for admission before returning to classes.

• Preempt certain state contract laws as they apply to Perkins educational loans. Some states allow loan repayment agreements and other contracts to be broken if the borrower was a minor when the contract was signed. If this bill is enacted, those state laws would no longer apply to contracts for Perkins loans. The provision would benefit public and private colleges and universities that are seeking repayment on loans that could otherwise be disputed under state law.

The bill also would authorize funding for student aid and higher education programs and increase requirements for public colleges and universities that participate in voluntary federal programs. Any costs to those institutions or to state, local, or tribal governments would result from complying with conditions of federal assistance.

Comparison to previous estimates: On November 14, 2007, CBO transmitted a cost estimate for S. 1642, the Higher Education Amendments of 2007, as ordered reported by the Senate Committee on Health, Education, Labor, and Pensions on July 10, 2007. Differences between that estimate and this estimate reflect differences in the legislation.

Specifically, CBO estimated that implementing S. 1642 would increase discretionary costs by $53.2 billion over the 2008–2012 period, and that implementing H.R. 4137 would increase discretionary outlays by $97.4 billion over the same period. Most of the difference is due to changes in the Pell Grant program and a new loan forgiveness program under title IV.

On October 4, 2007, CBO transmitted a cost estimate for the Private Student Loan Transparency and Improvement Act as ordered reported by the Senate Committee on Banking, Housing, and Urban Affairs on August 1, 2007. Both versions of the legislation are similar and the estimated costs are identical.

Estimate prepared by: Federal Costs: Discretionary Costs—Jessica Sherry; Mandatory Costs—Justin Humphrey; Revenues—Barbara Edwards. Impact on State, Local, and Tribal Governments: Melissa Merrell. Impact on the Private Sector: Nabeel Alsalam.

Estimate approved by: Keith Fontenot, Deputy Assistant Director for Health and Human Resources, Budget Analysis Division.

XIII. Statement of General Performance Goals and Objectives

In accordance with clause 3(c) of rule XIII of the Rules of the House of Representatives, the goal of H.R. 4137 is to make college more affordable and accessible. The Committee expects the Department of Education and other relevant departments to comply with H.R. 4137 and implement the changes to the law in accordance with these stated goals.

XIV. Constitutional Authority Statement

Under clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee must include a statement citing the specific powers granted to Congress in the Constitution to enact the law proposed by H.R. 4137. The Committee believes that the amendments made by this bill are within Congress' authority under Article I, section 8, clause 18 of the U.S. Constitution.

XV. Committee Estimate

Clause 3(d)(2) 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. 4137. However, clause 3(d)(3)(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.

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 italic, 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. 101. GENERAL DEFINITION OF INSTITUTION OF HIGHER EDUCATION.

(a) Institution of Higher Education.—For purposes of this Act, other than title IV, the term "institution of higher education" means an educational institution in any State that—

(1) * * *

* * * * * * *

(3) provides an educational program for which the institution awards a bachelor's degree or provides not less than a 2-year program that is acceptable for full credit toward such a degree*, or awards a degree that is acceptable for admission to a grad-*

uate or professional degree program, subject to review and approval by the Secretary;

* * * * * * *

(b) ADDITIONAL INSTITUTIONS INCLUDED.—For purposes of this Act, other than title IV, the term "institution of higher education" also includes—

(1) * * *

[(2) a public or nonprofit private educational institution in any State that, in lieu of the requirement in subsection (a)(1), admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.**]**

(2) a public or nonprofit private educational institution in any State that, in lieu of the requirement in subsection (a)(1), admits as regular students persons—

(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. 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) * * *

(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, located 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, insured, or guaranteed under part B of title IV unless—

(i) in the case of a graduate medical school located outside the United States—

(I)(aa) * * *

* * * * * * *

(bb) at least 60 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 B of title IV; **[**or**]**

[(II) the institution has a clinical training program that was approved by a State as of January 1, 1992; or]

(II) the institution has or had a clinical training program that was approved by a State as of January 1, 1992, and continues to operate a clinical training program in at least one State, which is approved by that State; or

(III) the institution—

(aa) has a clinical training program that was approved by a State before January 1, 2008;

(bb) certifies only unsubsidized Stafford or PLUS loans under part B of title IV to graduate and professional students attending the institution; and

(cc) agrees to reimburse the Secretary for the cost of any loan defaults for students included in the institution's cohort default rate during the previous fiscal year; or

(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, the institution—

(I) has agreements with hospitals and eligible nursing schools located in the United States that include provisions for students to complete their clinical training at such hospitals and eligible nursing schools;

(II) certifies only unsubsidized Stafford and PLUS loans under part B of title IV for students attending the institution; and

(III) agrees to reimburse the Secretary for the cost of any loan defaults to the extent that the institution's cohort default rate exceeds 5 percent.

* * * * * * *

(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) * * *

* * * * * * *

(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) has at least 10 percent of the school's revenues from sources that are not derived from funds provided under title IV, as determined in accordance with regulations prescribed by the Secretary.]

[(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 paragraph (1) of section 101(a), admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.]

(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.

(c) POSTSECONDARY VOCATIONAL INSTITUTION.—

(1) * * *

[(2) ADDITIONAL INSTITUTIONS.—The term "postsecondary vocational institution" also includes an educational institution in any State that, in lieu of the requirement in paragraph (1) of section 101(a), admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.]

(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.

[(1)] *(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. 149, 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)), 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 na-

tional security, economic competitiveness, and educational needs of the United States.

[(2)] *(4)* DEPARTMENT.—The term "Department" means the Department of Education.

[(3)] *(5)* DISABILITY.—The term "disability" has the same meaning given that term under section 3(2) of the Americans With Disabilities Act of 1990.

(6) DISTANCE EDUCATION.—

(A) IN GENERAL.—Except as otherwise provided, the term "distance education" means education that uses 1 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 cassette, DVDs, and CD–ROMs, if the cassette, DVDs, and CD–ROMs are used in a course in conjunction with the technologies listed in clauses (i) through (iii).

[(4)] *(7)* ELEMENTARY SCHOOL.—The term "elementary school" has the same meaning given that term under section 9101 of the Elementary and Secondary Education Act of 1965.

[(5)] *(8)* GIFTED AND TALENTED.—The term "gifted and talented" has the same meaning given that term under section 9101 of the Elementary and Secondary Education Act of 1965.

(9) HIGH-NEED SCHOOL.—Except with respect to title II, the term "high-need school" means a public or nonprofit private elementary or secondary school which is in a local educational agency which is eligible for assistance pursuant to title I of the Elementary and Secondary Education Act of 1965 in the applicable fiscal year, and 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 section 1113(a)(5) of the Elementary and Secondary Education Act of 1965 exceeds 30 percent of the total enrollment of that school.

(10) LIMITED ENGLISH PROFICIENT.—The term "limited English proficient" has the meaning given such term in section 9101 of the Elementary and Secondary Education Act of 1965.

[(6)] *(11)* LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the same meaning given that term under section 9101 of the Elementary and Secondary Education Act of 1965.

[(7)] *(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.

[(8)] *(13)* NONPROFIT.—The term "nonprofit" as applied to a school, agency, organization, or institution means a school, agency, organization, or institution 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.

[(9)] *(14)* 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) * * *

* * * * * * *

[(10)] *(15)* SECONDARY SCHOOL.—The term "secondary school" has the same meaning given that term under section 9101 of the Elementary and Secondary Education Act of 1965.

[(11)] *(16)* SECRETARY.—The term "Secretary" means the Secretary of Education.

[(12)] *(17)* 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.

[(13)] *(18)* 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.

[(14)] *(19)* STATE EDUCATIONAL AGENCY.—The term "State educational agency" has the same meaning given that term under section 9101 of the Elementary and Secondary Education Act of 1965.

[(15)] *(20)* STATE HIGHER EDUCATION AGENCY.—The term "State higher education agency" means the officer or agency primarily responsible for the State supervision of higher education.

[(16)] *(21)* STATE; FREELY ASSOCIATED STATES.—

(A) * * *

* * * * * * *

(22) UNIVERSAL DESIGN.—The term "universal design" means a concept or philosophy for designing and delivering products and services that are usable by people with the widest possible range of functional capabilities, which include products and services that are directly accessible (without requiring assistive technologies) and products and services that are interoperable with assistive technologies.

(23) UNIVERSAL DESIGN FOR LEARNING.—The term "universal design for learning" means a research-based framework for designing curriculum (including goals, methods, materials, and assessments) that—

(A) provides curricular flexibility in the ways information is presented, in the ways students respond or demonstrate knowledge, and in the ways students are engaged; and

(B) reduces barriers in instruction and assessment, provides appropriate supports and challenges, and maintains

high achievement standards for all students, including students with disabilities.

PART B—ADDITIONAL GENERAL PROVISIONS

* * * * * * *

SEC. 113. [TREATMENT OF TERRITORIES AND TERRITORIAL STUDENT ASSISTANCE] *TERRITORIAL WAIVER AUTHORITY.*

[(a) WAIVER AUTHORITY.—]The Secretary is required to waive the eligibility criteria of any postsecondary education program administered by the Department where such criteria do not take into account the unique circumstances in Guam, the United States Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Freely Associated States.

[(b) ELIGIBILITY.—Notwithstanding any other provision of law, an institution of higher education that is located in any of the Freely Associated States, rather than in another State, shall be eligible, if otherwise qualified, for assistance under chapter 1 of subpart 2 of part A of title IV. This subsection shall cease to be effective on September 30, 2004.]

[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 (hereafter in this section referred to as the "Committee"), which shall be composed of 15 members appointed by the Secretary from among individuals who are representatives of, or knowledgeable concerning, education and training beyond secondary education, including representatives of all sectors and types of institutions of higher education (as defined in section 102), to assess the process of eligibility and certification of such institutions under title IV and the provision of financial aid under title IV.

[(b) TERMS OF MEMBERS.—Terms of office of each member of the Committee shall be 3 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.

[(c) PUBLIC NOTICE.—The Secretary shall—

[(1) annually publish in the Federal Register a list containing the name of each member of the Committee and the date of the expiration of the term of office of the member; and

[(2) publicly solicit nominations for each vacant position or expiring term of office on the Committee.

[(d) 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) develop and recommend to the Secretary standards and criteria for specific categories of vocational training institutions

and institutions of higher education for which there are no recognized accrediting agencies, associations, or State agencies, in order to establish the eligibility of such institutions on an interim basis for participation in federally funded programs;

[(5) 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;

[(6) 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

[(7) carry out such other advisory functions relating to accreditation and institutional eligibility as the Secretary may prescribe.

[(e) MEETING PROCEDURES.—The Committee shall meet not less than twice each year at the call of the Chairperson. The date of, and agenda for, each meeting of the Committee shall be submitted in advance to the Secretary for approval. A representative of the Secretary shall be present at all meetings of the Committee.

[(f) REPORT.—Not later than November 30 of each year, the Committee shall make an annual report through the Secretary to Congress. The annual report shall contain—

[(1) a list of the members of the Committee and their addresses;

[(2) a list of the functions of the Committee;

[(3) a list of dates and places of each meeting during the preceding fiscal year; and

[(4) a summary of the activities, findings and recommendations made by the Committee during the preceding fiscal year.

[(g) TERMINATION.—The Committee shall cease to exist on September 30, 2004.]

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 such institutions under title IV.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Committee shall have 18 members, of which—

(A) 6 members shall be appointed by the Secretary;

(B) 6 members shall be appointed by the Speaker of the House of Representatives, 3 members on the recommendation of the majority leader of the House of Representatives, and 3 members on the recommendation of the minority leader of the House of Representatives; and

(C) 6 members shall be appointed by the President pro tempore of the Senate, 3 members on the recommendation of the majority leader of the Senate, and 3 members 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 6 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) 3 years for members appointed under paragraph (1)(A);

(B) 4 years for members appointed under paragraph (1)(B); and

(C) 6 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;

(6) take into consideration the complaints, and the resolution of such complaints, received by the ombudsman described in section 497 when advising the Secretary with respect to the recognition of a specific accrediting agency or association; and

(7) 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) FEDERAL ADVISORY COMMITTEE ACT.—The provisions of 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) LIMITATION.—The Committee shall not recommend denial of an application related to the recognition of an accrediting agency or association for any reason other than a reason set forth in section 496.

(f) 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 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 September 30 of each year, the Committee shall make 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 preceding fiscal year;

(B) a list of the date and location of each meeting during the preceding fiscal year;

(C) a list of the members of the Committee and appropriate contact information; and

(D) a list of the functions of the Committee, including any additional functions established by the Secretary through regulation.

(g) TERMINATION.—The Committee shall terminate on September 30, 2012.

* * * * * * *

SEC. 120. DRUG AND ALCOHOL ABUSE 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, at a minimum, includes—

(1) * * *

(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; [and]

(B) determine the number of drug and alcohol-related incidents and fatalities that—

(i) occur on the institution's property or as part of any of the institution's activities; and

(ii) are reported to the institution;

(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 incidents and fatalities on the institution's property or as part of any of the institution's activities; and

[(B)] *(D)* ensure that the sanctions required by paragraph (1)(E) are consistently enforced.

* * * * * * *

(e) ALCOHOL AND DRUG ABUSE PREVENTION GRANTS.—

(1) * * *

* * * * * * *

(5) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection $5,000,000 for fiscal year [1999] *2009* and such sums as may be necessary for each of the 4 succeeding fiscal years.

[(f) NATIONAL RECOGNITION AWARDS.—

[(1) PURPOSE.—It is the purpose of this subsection to provide models of innovative and effective alcohol and drug abuse prevention programs in higher education and to focus national attention on exemplary alcohol and drug abuse prevention efforts.

[(2) AWARDS.—

[(A) IN GENERAL.—The Secretary shall make 5 National Recognition Awards for outstanding alcohol prevention

programs and 5 National Recognition Awards for outstanding drug abuse prevention programs, on an annual basis, to institutions of higher education that—

[(i) have developed and implemented innovative and effective alcohol prevention programs or drug abuse prevention programs; and

[(ii) with respect to an application for an alcohol prevention program award, demonstrate in the application submitted under paragraph (3) that the institution has undertaken efforts designed to change the culture of college drinking consistent with the review criteria described in paragraph (3)(C)(iii).

[(B) CEREMONY.—The awards shall be made at a ceremony in Washington, D.C.

[(C) DOCUMENT.—The Secretary shall publish a document describing the alcohol and drug abuse prevention programs of institutions of higher education that receive the awards under this subsection and disseminate the document nationally to all public and private secondary school guidance counselors for use by secondary school juniors and seniors preparing to enter an institution of higher education. The document shall be disseminated not later than January 1 of each academic year.

[(D) AMOUNT AND USE.—Each institution of higher education selected to receive an award under this subsection shall receive an award in the amount of $50,000. Such award shall be used for the maintenance and improvement of the institution's outstanding prevention program for the academic year following the academic year for which the award is made.

[(3) APPLICATION.—

[(A) IN GENERAL.—Each institution of higher education desiring an award under this subsection 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—

[(i) a clear description of the goals and objectives of the prevention program of the institution;

[(ii) a description of program activities that focus on alcohol or drug policy issues, policy development, modification, or refinement, policy dissemination and implementation, and policy enforcement;

[(iii) a description of activities that encourage student and employee participation and involvement in activity development and implementation;

[(iv) the objective criteria used to determine the effectiveness of the methods used in such programs and the means used to evaluate and improve the programs' efforts;

[(v) a description of special initiatives used to reduce high-risk behavior or increase low-risk behavior; and

[(vi) a description of coordination and networking efforts that exist in the community in which the institution is located for purposes of such programs.

[(B) APPLICATION REVIEW.—The Secretary shall appoint a committee to review applications submitted under this paragraph. The committee may include representatives of Federal departments or agencies the programs of which include alcohol abuse prevention and education efforts and drug abuse prevention and education efforts, directors or heads (or their representatives) of professional associations that focus on alcohol and drug abuse prevention efforts, and non-Federal scientists who have backgrounds in social science evaluation and research methodology and in education. Decisions of the committee shall be made directly to the Secretary without review by any other entity in the Department.

[(C) REVIEW CRITERIA.—The committee described in subparagraph (B) shall develop specific review criteria for reviewing and evaluating applications submitted under this paragraph. The review criteria shall include—

[(i) measures of the effectiveness of the program of the institution, that includes changes in the campus alcohol or other drug environment or the climate and changes in alcohol or other drug use before and after the initiation of the program;

[(ii) measures of program institutionalization, including—

[(I) an assessment of needs of the institution;

[(II) the institution's alcohol and drug policies, staff and faculty development activities, drug prevention criteria, student, faculty, and campus community involvement; and

[(III) whether the program will be continued after the cessation of Federal funding; and

[(iii) with respect to an application for an alcohol prevention program award, criteria for determining whether the institution has policies in effect that—

[(I) prohibit alcoholic beverage sponsorship of athletic events, and prohibit alcoholic beverage advertising inside athletic facilities;

[(II) prohibit alcoholic beverage marketing on campus, which may include efforts to ban alcohol advertising in institutional publications or efforts to prohibit alcohol-related advertisements at campus events;

[(III) establish or expand upon alcohol-free living arrangements for all college students;

[(IV) establish partnerships with community members and organizations to further alcohol prevention efforts on campus and the areas surrounding campus; and

[(V) establish innovative communications programs involving students and faculty in an effort to educate students about alcohol-related risks.

[(4) ELIGIBILITY.—In order to be eligible to receive a National Recognition Award an institution of higher education shall—

[(A) offer an associate or baccalaureate degree;

[(B) have established an alcohol abuse prevention and education program or a drug abuse prevention and education program;

[(C) nominate itself or be nominated by others, such as professional associations or student organizations, to receive the award; and

[(D) not have received an award under this subsection during the 5 academic years preceding the academic year for which the determination is made.

[(5) AUTHORIZATION OF APPROPRIATIONS.—

[(A) IN GENERAL.—There is authorized to be appropriated to carry out this subsection $750,000 for fiscal year 1999.

[(B) AVAILABILITY.—Funds appropriated under subparagraph (A) shall remain available until expended.]

SEC. 121. PRIOR RIGHTS AND OBLIGATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) PRE-1987 PARTS C AND D OF TITLE VII.—There are authorized to be appropriated such sums as may be necessary for fiscal year [1999 and for each of the 4 succeeding fiscal years] *2009 and for each succeeding fiscal year* to pay obligations incurred prior to 1987 under parts C and D of title VII, as such parts were in effect before the effective date of the Higher Education Amendments of 1992.

(2) POST-1992 AND PRE-1998 PART C OF TITLE VII.—There are authorized to be appropriated such sums as may be necessary for fiscal year [1999 and for each of the 4 succeeding fiscal years] *2009 and for each succeeding fiscal year* to pay obligations incurred prior to the date of enactment of the Higher Education Amendments of 1998 under part C of title VII, as such part was in effect during the period—

(A) * * *

* * * * * * *

PART C—COST OF HIGHER EDUCATION

SEC. 131. IMPROVEMENTS IN MARKET INFORMATION AND PUBLIC ACCOUNTABILITY IN HIGHER EDUCATION.

(a) IMPROVED DATA COLLECTION.—

(1) * * *

* * * * * * *

(3) INFORMATION TO INSTITUTIONS.—The Commissioner of Education Statistics shall—

(A) * * *

(B) not later than 90 days after the date of enactment of the Higher Education Amendments of 1998, report the definitions to each institution of higher education and within a reasonable period of time thereafter inform the [Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives] *authorizing committees* of those definitions; and

* * * * * * *

[(d) STUDENT AID RECIPIENT SURVEY.—(1) The Secretary shall survey student aid recipients on a regular cycle, but not less than once every 3 years—

[(A) to identify the population of students receiving Federal student aid;

[(B) to determine the income distribution and other socioeconomic characteristics of federally aided students;

[(C) to describe the combinations of aid from State, Federal, and private sources received by students from all income groups;

[(D) to describe the debt burden of loan recipients and their capacity to repay their education debts; and

[(E) to disseminate such information in both published and machine readable form.

[(2) The survey shall be representative of full-time and part-time, undergraduate, graduate, and professional and current and former students in all types of institutions, and should be designed and administered in consultation with the Congress and the post-secondary education community.]

(d) PROMOTION OF THE DEPARTMENT OF EDUCATION FEDERAL STUDENT FINANCIAL AID WEBSITE.—The Secretary—

(1) shall display a link to the Federal student financial aid website of the Department of Education in a prominent place on the homepage of the Department of Education website; and

(2) may use administrative funds available for the Department's operations and expenses for the purpose of advertising and promoting the availability of the Federal student financial aid website.

(e) PROMOTION OF AVAILABILITY OF INFORMATION CONCERNING STUDENT FINANCIAL AID PROGRAMS OF OTHER DEPARTMENTS AND AGENCIES.—

(1) AVAILABILITY OF INFORMATION.—The Secretary shall ensure that the eligibility requirements, application procedures, financial terms and conditions, and other relevant information for each non-departmental student financial assistance program are easily accessible through the Federal student financial aid website and are incorporated into the search matrix on such website in a manner that permits students and parents to readily identify the programs that are appropriate to their needs and eligibility.

(2) AGENCY RESPONSE.—Each Federal department and agency shall promptly respond to surveys or other requests for the information required by paragraph (1), and shall identify for the Secretary any non-departmental student financial assistance program operated, sponsored, or supported by such Federal department or agency.

(3) DEFINITION.—For purposes of this subsection, the term "non-departmental student financial assistance program" means any grant, loan, scholarship, fellowship, or other form of financial aid for students pursuing a postsecondary education that is—

(A) distributed directly to the student or to the student's account at on institution of higher education; and

(B) operated, sponsored, or supported by a Federal department or agency other than the Department of Education.

SEC. 132. STATE COMMITMENT TO AFFORDABLE COLLEGE EDUCATION.

(a) MAINTENANCE OF EFFORT REQUIRED.—A State shall provide for public institutions of higher education in such State for any academic year beginning on or after July 1, 2008, an amount which is—

(1) equal to or greater than the average amount provided by such State to such institutions of higher education during the 5 most recent preceding academic years for which satisfactory data are available; or

(2) equal to or greater than the amount provided by such State to such institutions of higher education during the preceding academic year.

(b) WAIVER.—The Secretary shall waive the requirements of subsection (a), if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous decline in the financial resources of a State or State educational agency, as appropriate.

(c) VIOLATION OF MAINTENANCE OF EFFORT.—Notwithstanding any other provision of law, the Secretary shall withhold from any State that violates subsection (a) and does not receive a waiver pursuant to subsection (b) any amount that would otherwise be available to the State under section 415E until such State has made significant efforts to correct such violation.

(d) RESEARCH INTO COST CONTAINMENT METHODS.—The Secretary is authorized—

(1) to identify methods of cost containment currently utilized by institutions of higher education and systems of such institutions, and research into other possible methods of cost containment;

(2) to disseminate—

(A) the information obtained by such research to such institutions and systems; and

(B) other information concerning research that has identified successful methods of cost containment;

(3) to publicly recognize institutions of higher education that are doing an effective job at cost containment; and

(4) to work together with such institutions and systems to implement these methods.

SEC. 133. TRANSPARENCY IN COLLEGE TUITION FOR CONSUMERS.

(a) NET PRICE.—In this section, the term "net price" means the average yearly tuition and fees paid by a full-time undergraduate student at an institution of higher education, after discounts and grants from the institution, the Federal Government, or a State have been applied to the full price of tuition and fees at the institution.

(b) HIGHER EDUCATION PRICE INDEX.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of the College Opportunity and Affordability Act of 2007, the Bureau of Labor Statistics, in consultation with the Commissioner of Education Statistics and representatives of institutions of higher education, shall develop higher education

price indices that accurately reflect the annual change in tuition and fees for undergraduate students in the categories of institutions listed in paragraph (2). Such indices shall be updated annually. Prior to the completion of the higher education price index, the Secretary is authorized to use an alternative, comparable index.

(2) DEVELOPMENT.—The higher education price indices under paragraph (1) shall be developed for each of the following categories:

(A) 4-year public institutions of higher education.

(B) 4-year private, nonprofit institutions of higher education.

(C) 4-year private, for-profit institutions of higher education.

(D) 2-year public institutions of higher education.

(E) 2-year private, nonprofit institutions of higher education.

(F) 2-year private, for-profit institutions of higher education.

(G) Less than 2-year public institutions of higher education.

(H) Less than 2-year private, nonprofit institutions of higher education.

(I) Less than 2-year private, for-profit institutions of higher education.

(J) All types of institutions described in subparagraphs (A) through (I).

(c) REPORTING.—

(1) IN GENERAL.—The Secretary shall make publicly available on an annual basis, in a sortable electronic format on the College Navigator website, a national list ranking institutions of higher education according to the percentage change and dollar change in such institutions' tuition and fees over the preceding 3 years. Such list shall be capable of being sorted by State, by category as determined under paragraph (2), by percentage change, and by dollar change. The purpose of such list is to provide consumers with general information on pricing trends among institutions of higher education nationally and in each State.

(2) CATEGORIES.—The categories to be used for the list described in paragraph (1) are the categories listed in subparagraphs (A) through (I) of subsection (b)(2).

(3) HIGHER EDUCATION PRICE INCREASE WATCH LISTS.—Effective July 1, 2008, the Secretary shall annually update and make publicly available on the College Navigator website, the national list developed under paragraph (1), and the list for each State, ranking each institution of higher education whose tuition and fees outpace such institution's applicable higher education price index described in subsection (b). Such lists shall—

(A) be known as the Higher Education Price Increase Watch Lists;

(B) report the full price of tuition and fees at the institution and the net price;

(C) include data cells for common expenditures for institutions to utilize;

(D) where applicable, report the average price of room and board for students living on campus at the institution, except that such price shall not be used in determining whether an institution's cost outpaces such institution's applicable higher education price index; and

(E) be compiled by the Secretary in a public document to be widely published and disseminated.

(4) QUALITY EFFICIENCY TASK FORCES.—

(A) REQUIRED.—Each institution subject to paragraph (3) shall establish a quality-efficiency task force to review the operations of such institution.

(B) FUNCTIONS.—Such task force shall analyze institutional operating costs in comparison with such costs at other institutions within the same category of institutions. Such analysis shall identify areas where, in comparison with other institutions in such class, the institution operates more expensively to produce a similar result. Any identified areas shall then be targeted for in-depth analysis for cost reduction opportunities.

(C) REPORT.—The results of the analysis by a quality-efficiency task force under this paragraph shall be made available to the public on the College Navigator website.

(5) EXEMPTIONS.—Notwithstanding paragraph (3), an institution shall not be placed on the higher education watch list if, for any 3-year interval for the computed price under paragraph (1)—

(A) with respect to the category of institutions described in paragraph (2) to which the institution belongs, the computed price of the institution is in the lowest quartile of institutions within such class, as determined by the Secretary, during the last year of such 3-year interval; or

(B) the institution has a percentage change in its full price computed under paragraph (3) that exceeds the higher education price index, or exceeds the applicable higher education price index over the same time period, but the dollar amount of the full price increase is less than $500, or the full price increase is an average of the higher education price index plus $500 per year.

(6) STATE HIGHER EDUCATION APPROPRIATIONS CHART.—The Secretary shall annually report on the Department's website, in charts for each State—

(A) a comparison of the percentage change in State appropriations per enrolled student in a public institution of higher education in the State to the percentage change in tuition and fees for each public institution of higher education in the State for each of the previous 5 years; and

(B) the total amount of need-based and merit-based aid provided by the State to students enrolled in an institution of higher education in the State.

(d) NET PRICE CALCULATOR.—

(1) DEVELOPMENT.—Not later than 1 year after the date of enactment of the College Opportunity and Affordability Act of 2007, the Secretary shall, in consultation with institutions of

higher education, develop and make several model net price calculators to help students, families, and consumers determine the net price of an institution of higher education, which institutions of higher education may, at their discretion, elect to use pursuant to paragraph (3).

(2) CATEGORIES.—The model net price calculators described in paragraph (1) shall be developed for each of the categories listed in subparagraphs (A) through (I) of subsection (b)(2).

(3) USE OF NET PRICE CALCULATOR BY INSTITUTIONS.—Not later than 3 years after the date of enactment of the College Opportunity and Affordability Act of 2007, each institution of higher education that receives Federal funds under this Act shall adopt and use a net price calculator to help students, families, and other consumers determine the net price of such institution of higher education. Such calculator may be—

(A) based on a model calculator developed by the Department; or

(B) developed by the institution of higher education.

(e) NET PRICE REPORTING IN APPLICATION INFORMATION.—An institution of higher education that receives Federal funds under this Act shall include, in the materials accompanying an application for admission to the institution, the most recent information regarding the net price of the institution, calculated for each quartile of students based on the income of either the students' parents or, in the case of independent students (as such term is described in section 480), of the students, for each of the 2 academic years preceding the academic year for which the application is produced.

(f) ENHANCED COLLEGE NAVIGATOR.—

(1) UNIVERSITY AND COLLEGE ACCOUNTABILITY NETWORK.—Not later than 1 year after the date of enactment of the College Opportunity and Affordability Act of 2007, the Secretary shall develop a model format for annually publicly displaying basic information about an institution of higher education that chooses to participate, to be posted on the College Navigator and made available to institutions of higher education, students, families, and other consumers. Such document shall be known as the University and College Accountability Network (U–CAN), and shall include, the following information about the institution of higher education for the most recent academic year for which the institution has available data, presented in a consumer-friendly manner:

(A) A statement of the institution's mission and specialties.

(B) The total number of undergraduate students who applied, were admitted, and enrolled at the institution.

(C) Where applicable, reading, writing, mathematics, and combined scores on the SAT or ACT for the middle 50 percent range of the institution's freshman class.

(D) Enrollment of full-time, part-time, and transfer students at the institution, at the undergraduate and (where applicable) graduate levels.

(E) Percentage of male and female undergraduate students enrolled at the institution.

(F) Percentage of enrolled undergraduate students from the State in which the institution is located, from other States, and from other countries.

(G) Percentage of enrolled undergraduate students at the institution by race and ethnic background.

(H) Retention rates for full-time and part-time first-time, first-year undergraduate students enrolled at the institution.

(I) Average time to degree or certificate completion for first-time, first-year undergraduate students enrolled at the institution.

(J) Percentage of enrolled undergraduate students who graduate within 2 years (in the case of 2-year institutions), and 4, 5, and 6 years (in the case of 2-year and 4-year institutions).

(K) Number of students who obtained a certificate or an associate's, bachelor's, master's, or doctoral degree at the institution.

(L) Undergraduate major areas of study with the highest number of degrees awarded.

(M) The student-faculty ratio, and number of full-time, part-time, and adjunct faculty, and graduate teaching and research assistants with instructional responsibilities, at the institution.

(N) Percentage of faculty at the institution with the highest degree in their field.

(O) Percentage change in total price in tuition and fees and the net price for an undergraduate at the institution in each of the preceding 3 academic years.

(P) Total average yearly cost of tuition and fees, room and board, and books and other related costs for an undergraduate student enrolled at the institution, for—

(i) full-time undergraduate students living on campus;

(ii) full-time undergraduate students living off campus; and

(iii) in the case of students attending a public institution of higher education, such costs for in-State and out-of-State students living on and off campus.

(Q) Average yearly grant amount (including Federal, State, and institutional aid) for a student enrolled at the institution.

(R) Average yearly amount of Federal student loans, and other loans provided through the institution, to undergraduate students enrolled at the institution.

(S) Total yearly grant aid available to undergraduate students enrolled at the institution, from the Federal Government, a State, the institution, and other sources.

(T) Percentage of undergraduate students enrolled at the institution receiving Federal, State, and institutional grants, student loans, and any other type of student financial assistance provided publicly or through the institution, such as Federal work-study funds.

(U) Number of students receiving Federal Pell Grants at the institution.

(V) Average net price for all undergraduate students enrolled at the institution.

(W) Percentage of first-year undergraduate students enrolled at the institution who live on campus and off campus.

(X) Information on the policies of the institution related to transfer of credit from other institutions.

(Y) Information on campus safety required to be collected under section 485(f).

(Z) Links to the appropriate sections of the institution's website that provide information on student activities offered by the institution, such as intercollegiate sports, student organizations, study abroad opportunities, intramural and club sports, specialized housing options, community service opportunities, cultural and arts opportunities on campus, religious and spiritual life on campus, and lectures and outside learning opportunities.

(AA) Links to the appropriate sections of the institution's website that provide information on services offered by the institution to students during and after college, such as internship opportunities, career and placement services, and preparation for further education.

(2) CONSULTATION.—The Secretary shall ensure that current and prospective college students, family members of such students, and institutions of higher education are consulted in carrying out paragraph (1).

(g) STUDENT AID RECIPIENT SURVEY.—

(1) SURVEY REQUIRED.—The Secretary shall conduct a survey of student aid recipients under title IV on a regular cycle and State-by-State basis, but not less than once every 4 years—

(A) to identify the population of students receiving Federal student aid;

(B) to describe the income distribution and other socioeconomic characteristics of federally aided students;

(C) to describe the combinations of aid from State, Federal, and private sources received by students from all income groups;

(D) to describe the debt burden of educational loan recipients and their capacity to repay their education debts, and the impact of such debt burden on career choices;

(E) to describe the role played by the price of postsecondary education in the determination by students of what institution to attend; and

(F) to describe how the increased costs of textbooks and other instructional materials affects the costs of postsecondary education to students.

(2) SURVEY DESIGN.—The survey shall be representative of full-time and part-time, undergraduate, graduate, professional, and current and former students in all types of institutions, and designed and administered in consultation with the Congress and the postsecondary education community.

(3) DISSEMINATION.—The Commissioner of Education Statistics shall disseminate the information resulting from the survey in both printed and electronic form.

(h) REGULATIONS.—The Secretary is authorized to issue such regulations as may be necessary to carry out the provisions of this section.

SEC. 134. TEXTBOOK INFORMATION.

(a) PURPOSE AND INTENT.—The purpose of this section is to ensure that every student in higher education is offered better and more timely access to affordable course materials by educating and informing faculty, students, administrators, institutions of higher education, bookstores, distributors, and publishers on all aspects of the selection, purchase, sale, and use of course materials. It is the intent of this section—

(1) to have all involved parties work together to identify ways to decrease the cost of college textbooks and supplemental materials for students while protecting the academic freedom of faculty members to select high quality course materials for students; and

(2) to encourage—

(A) college textbook publishers and distributors to work with faculty to promote understanding of the cost to students of purchasing faculty selected textbooks, including the disclosure of prices and bundling practices;

(B) college bookstores to work with faculty to review timelines and processes for ordering and stocking course materials, and to disclose costs to faculty and students in a timely manner;

(C) institutions of higher education to implement numerous options to address college textbook affordability;

(D) institutions of higher education to work with student organizations to help students understand the factors driving textbook costs and available methods and resources to mitigate the effects of those costs; and

(E) innovation in the development and use of course materials (including course materials utilizing the principles of universal design) and technologies that can help students receive the full value of their educational investment.

(b) DEFINITIONS.—In this section:

(1) BUNDLE.—The term "bundle" means one or more college textbooks or other supplemental learning 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 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 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.

(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, additional eras of time, new themes, or new subject matter.

(9) SUPPLEMENTAL MATERIAL.—The term "supplemental material" means educational material developed to accompany a college textbook, which—

(A) may include printed materials, computer disks, website access, and electronically distributed materials; and

(B) is not bound by third-party contractual agreements to be sold in 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 with information regarding a college textbook or supplemental material, the publisher shall include, with any such information and in writing, 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.

(B) The copyright dates of all previous editions of such college textbook, if any.

(C) The substantial content revisions made between the current edition of the college textbook or supplemental material and the previous edition, if any.

(D) Whether the college textbook or supplemental material is available in any other format, including paperback and unbound, and 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.

(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, publishers 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.—

(1) INTERNET COURSE SCHEDULES.—Each institution of higher education, to the maximum extent practicable, shall—

(A) disclose the International Standard Book Number and retail price information of required and recommended textbooks, related materials, and supplies for each course listed in the institution's course schedule used for pre-registration and registration purposes;

(B) if the International Standard Book Number is not available for the items listed in subparagraph (A), use the author, title, publisher, and copyright date; and

(C) if the institution determines that the disclosure of the information described in the preceding subparagraphs for a course is not practicable for a textbook, related material, or supply, then it should so indicate by placing the designation "To Be Determined" in lieu of the information required under such subparagraphs.

(2) WRITTEN COURSE SCHEDULES.—In the case of an institution of higher education that does not publish the institution's course schedule for the subsequent academic period on the Internet, the institution of higher education shall include the information required under paragraph (1) in any printed version of the institution's course schedule as it is available at the time of the course schedule's printing.

(e) AVAILABILITY OF INFORMATION FOR COLLEGE BOOKSTORES.—An institution of higher education shall make available, as soon as is practicable, upon the request of any 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) 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 and classroom materials.

(g) EFFECTIVE DATE.—This section shall be effective on and after July 1, 2008.

SEC. 135. DATABASE OF STUDENT INFORMATION PROHIBITED.

(a) PROHIBITION.—Except as described in subsection (b), nothing in this Act shall be construed to authorize the Secretary to develop, implement, or maintain 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 is necessary for the operation of programs authorized by title II, IV, or VII, or data required to be collected by the Secretary under this Act (including section 133(g)), that were in use by the Secretary, directly or through a contractor, as of the day before the date of enactment of the College Opportunity and Affordability Act of 2007.

(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.

PART D—ADMINISTRATIVE PROVISIONS FOR DELIVERY OF STUDENT FINANCIAL ASSISTANCE

SEC. 141. PERFORMANCE-BASED ORGANIZATION FOR THE DELIVERY OF FEDERAL STUDENT FINANCIAL ASSISTANCE.

(a) * * *

* * * * * * *

(d) CHIEF OPERATING OFFICER.—

(1) * * *

* * * * * * *

(4) PERFORMANCE AGREEMENT.—

(A) * * *

(B) TRANSMITTAL.—The final agreement, and any revision to the final agreement, shall be transmitted to the [Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate] *authorizing committees*, and made publicly available.

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PART E—LENDER AND INSTITUTION REQUIREMENTS RELATING TO EDUCATIONAL LOANS

SEC. 151. DEFINITIONS.

In this part:

(1) COVERED INSTITUTION.—The term "covered institution"—

(A) means any educational institution that—

(i) offers a postsecondary educational degree, certificate, or program of study (including any institution of higher education, as such term is defined in section 102); and

(ii) receives any Federal funding or assistance; and

(B) includes an authorized agent of the educational institution (including an alumni association, booster club, or

other organization directly or indirectly authorized by such institution) or an employee of such institution.

(2) EDUCATIONAL LOAN.—The term "educational loan" (except when used as part of the term "private educational loan") means—

(A) any loan made, insured, or guaranteed under title IV; or

(B) a private educational loan (as defined in paragraph (6)).

(3) PREFERRED LENDER ARRANGEMENT.—The term "preferred lender arrangement"—

(A) means an arrangement or agreement between a lender and a covered institution—

(i) under which arrangement or agreement a lender provides or otherwise issues educational loans to the students attending the covered institution or the parents of such students; and

(ii) which arrangement or agreement relates to the covered institution recommending, promoting, or endorsing the educational loan product of the lender; and

(B) does not include—

(i) arrangements or agreements with respect to loans under parts D or E of title IV; or

(ii) arrangements or agreements with respect to loans under section 499(b).

(4) LENDER.—

(A) IN GENERAL.—The term "lender"—

(i) means a creditor, except that such term shall not include an issuer of credit secured by a dwelling or under an open end credit plan; and

(ii) includes an agent of a lender.

(B) INCORPORATION OF TILA DEFINITIONS.—The terms "creditor", "dwelling", and "open end credit plan" have the meanings given such terms in section 103 of the Truth in Lending Act (15 U.S.C. 1602).

(5) OFFICER.—The term "officer" includes a director or trustee of a covered institution, if such individual is treated as an employee of the covered institution.

(6) PRIVATE EDUCATIONAL LOAN.—The term "private educational loan" means a private loan provided by a lender that—

(A) is not made, insured, or guaranteed under title IV; and

(B) is issued by a lender expressly for postsecondary educational expenses to a student, or the parent of the student, regardless of whether the loan involves enrollment certification by the educational institution that the student attends.

(7) POSTSECONDARY EDUCATIONAL EXPENSES.—The term "postsecondary educational expenses" means any of the expenses that are included as part of a student's cost of attendance, as defined under section 472.

SEC. 152. REQUIREMENTS FOR LENDERS AND INSTITUTIONS PARTICIPATING IN PREFERRED LENDER ARRANGEMENTS.

(a) CERTIFICATION BY LENDERS.—In addition to any other disclosure required under Federal law, each lender under part B of title

IV that participates in one or more preferred lender arrangements shall annually certify its compliance with the requirements of this Act. Such compliance of such preferred lender arrangement shall be reported on and attested to annually by the auditor of such lender in the audit conducted pursuant to section 428(b)(1)(U)(iii).

(b) USE OF INSTITUTION NAME.—

(1) IN GENERAL.—A covered institution that has entered into a preferred lender arrangement with a lender regarding private educational loans shall not agree to the lender's use of the name, emblem, mascot, or logo of the institution, or other words, pictures, or symbols readily identified with the institution, in the marketing of private educational loans to the students attending the institution in any way that implies that the institution endorses the private educational loans offered by the lender.

(2) APPLICABILITY.—Paragraph (1) shall apply to any preferred lender arrangement, or extension of such arrangement, entered into or renewed after the date of enactment of the College Opportunity and Affordability Act of 2007.

SEC. 153. INTEREST RATE REPORT FOR INSTITUTIONS AND LENDERS PARTICIPATING IN PREFERRED LENDER ARRANGEMENTS.

(a) DUTIES OF THE SECRETARY.—

(1) REPORT AND MODEL FORMAT.—Not later than 180 days after the date of enactment of the College Opportunity and Affordability Act of 2007, the Secretary shall—

(A) prepare a report on the adequacy of the information provided to students and the parents of such students about educational loans, after consulting with students, representatives of covered institutions (including financial aid administrators, registrars, and business officers), lenders, loan servicers, and guaranty agencies;

(B) develop and prescribe by regulation a model disclosure form to be used by lenders and covered institutions in carrying out subsections (b) and (c) that—

(i) will be easy for students and parents to read and understand;

(ii) will be easily usable by lenders, institutions, guaranty agencies, and loan servicers;

(iii) will provide students and parents with the relevant, meaningful, and standard information about the terms and conditions for both Federal and private educational loans;

(iv) is based on the report's findings and developed in consultation with—

(I) students;

(II) representatives of covered institutions, including financial aid administrators, registrars, business officers, and student affairs officials;

(III) lenders;

(IV) loan servicers;

(V) guaranty agencies; and

(VI) with respect to the requirements of clause (vi) concerning private educational loans, the Board of Governors of the Federal Reserve System;

(v) provides information on the applicable interest rates and other terms and conditions of the educational loans provided by a lender to students attending the institution, or the parents of such students, disaggregated by each type of educational loan (including opportunity pools as defined in section 155(f)) provided to such students or parents by the lender, including—

(I) the rate of interest, or the potential range of rates of interest, applicable to the loan, and whether such rates are fixed or variable;

(II) limitations, if any, on interest rate adjustments, both in terms of frequency and amount, or lack thereof;

(III) co-borrower requirements, including changes in interest rates;

(IV) any fees associated with the loan;

(V) the repayment terms available on the loan;

(VI) the opportunity for deferment or forbearance in repayment of the loan, including whether the loan payments can be deferred if the student is in school;

(VII) any additional terms and conditions applied to the loan, including any benefits that are contingent on the repayment behavior of the borrower;

(VIII) the annual percentage rate for such loans, determined in the manner required under section 107 of the Truth in Lending Act (15 U.S.C. 1606);

(IX) an example of the total cost of the educational loan over the life of the loan which shall be calculated—

(aa) using a principal amount and the maximum rate of interest actually offered by the lender; and

(bb) both with and without capitalization of interest, if that is an option for postponing interest payments;

(X) the consequences for the borrower of defaulting on a loan, including any limitations on the discharge of an educational loan in bankruptcy;

(XI) contact information for the lender; and

(XII) any philanthropic contributions made by the lender to the covered institution, including the purpose of the contribution and any conditions related to its use; and

(vi) provides, in addition, with respect to private educational loans, the following information with respect to loans made by each lender recommended by the covered institution:

(I) the method of determining the interest rate of the loan;

(II) potential finance charges, late fees, penalties, and adjustments to principal, based on defaults or late payments of the borrower; and

(III) such other information as the Secretary may require; and

(C)(i) submit the report and model disclosure form to the authorizing committees; and

(ii) make the report and model disclosure form available to covered institutions, lenders, and the public.

(2) MODEL FORM UPDATE.—Not later than 1 year after the submission of the report and model disclosure form described in paragraph (1)(B), the Secretary shall—

(A) assess the adequacy of the model disclosure form;

(B) after consulting with students, representatives of covered institutions (including financial aid administrators, registrars, business officers, and student affairs officials), lenders, loan servicers, guaranty agencies, and the Board of Governors of the Federal Reserve System—

(i) prepare a list of any improvements to the model disclosure form that have been identified as beneficial to borrowers; and

(ii) update the model disclosure form after taking such improvements into consideration; and

(C)(i) submit the list of improvements and updated model disclosure form to the authorizing committees; and

(ii) make the updated model disclosure form available to covered institutions, lenders, and the public.

(3) USE OF FORM.—The Secretary shall take such steps as necessary to make the model disclosure form, and the updated model disclosure form, available to covered institutions and to encourage—

(A) lenders subject to subsection (b) to use the model disclosure form or updated model disclosure form (if available) in providing the information required under subsection (b); and

(B) covered institutions to use such format in preparing the information reported under subsection (c).

(4) PROCEDURES.—Sections 482(c) and 492 of this Act shall not apply to the model disclosure form prescribed under paragraph (1)(B), but shall apply to the updating of such form under paragraph (2).

(b) LENDER DUTIES.—Each lender that has a preferred lender arrangement with a covered institution shall, by August 1 of each year, provide to the covered institution and to the Secretary the information included on the model disclosure form or an updated model disclosure form (if available) for each type of educational loan (including opportunity pools as defined in section 155(f)) to be offered by the lender to students attending the covered institution, or the parents of such students, for the forthcoming academic year.

(c) COVERED INSTITUTION REPORTS.—Each covered institution shall—

(1) prepare and submit to the Secretary an annual report, by a date determined by the Secretary, that includes, for each lender that has a preferred lender arrangement with the covered institution and that has submitted to the institution the information required under subsection (b)—

(A) the information included on the model disclosure form or updated model disclosure form (if available) for

each type of educational loan provided by the lender to students attending the covered institution, or the parents of such students; and

(B) a detailed explanation of why the covered institution believes the terms and conditions of each type of educational loan provided pursuant to the agreement are beneficial for students attending the covered institution, or the parents of such students; and

(2) ensure that the report required under paragraph (1) is made available to the public and provided to students attending or planning to attend the covered institution, and the parents of such students, in time for the student or parent to take such information into account before applying for or selecting an educational loan.

(d) DISCLOSURES BY COVERED INSTITUTIONS.—A covered institution shall disclose, on its website and in the informational materials described in subsection (e)—

(1) a statement that—

(A) indicates that students are not limited to or required to use the lenders the institution recommends; and

(B) the institution is required to process the documents required to obtain a Federal educational loan from any eligible lender the student selects;

(2) at a minimum, all of the information provided by the model disclosure form prescribed under subsection (a)(1)(B), or updated model disclosure form (if available), with respect to any lender recommended by the institution for Federal educational loans and, as applicable, private educational loans (including opportunity pools as defined in section 155(f));

(3) the maximum amount of Federal grant and loan aid available to students in an easy-to-understand format; and

(4) the institution's cost of attendance (as determined under section 472).

(e) INFORMATIONAL MATERIALS.—The informational materials described in this subsection are publications, mailings, or electronic messages or media distributed to prospective or current students and parents of students that describe or discuss the financial aid opportunities available to students at an institution of higher education.

SEC. 154. PRIVATE EDUCATIONAL LOAN DISCLOSURE REQUIREMENTS FOR COVERED INSTITUTIONS.

A covered institution that provides information to any student, or the parent of such student, regarding a private educational loan from a lender shall, prior to or concurrent with such information—

(1) inform the student or parent of—

(A) the student or parent's eligibility for assistance and loans under title IV; and

(B) the terms and conditions of such private educational loan that may be less favorable than the terms and conditions of educational loans for which the student or parent is eligible, including interest rates, repayment options, and loan forgiveness; and

(2) ensure that information regarding such private educational loan is presented in such a manner as to be distinct

from information regarding loans that are made, insured, or guaranteed under title IV.

SEC. 155. INTEGRITY PROVISIONS.

(a) INSTITUTION CODE OF CONDUCT REQUIRED.—

(1) CODE OF CONDUCT.—Each institution of higher education that participates in the Federal student loan programs under title IV or has students that obtain private educational loans shall—

(A) develop a code of conduct in accordance with paragraph (2) with which its officers, employees, and agents shall comply with respect to educational loans;

(B) publish the code of conduct prominently on its website; and

(C) administer and enforce such code in accordance with the requirements of this subsection.

(2) CONTENTS OF CODE.—The code required by this section shall—

(A) prohibit a conflict of interest with the responsibilities of such officer, employee, or agent with respect to educational loans; and

(B) at a minimum, include provisions in compliance with the provisions of the following subsections of this section.

(3) TRAINING AND COMPLIANCE.—An institution of higher education shall administer and enforce a code of conduct required by this section by, at a minimum, requiring all of its officers, employees, and agents with responsibilities with respect to educational loans to obtain training annually in compliance with the code.

(b) GIFT BAN.—

(1) PROHIBITION.—No officer, employee, or agent of a covered institution who is employed in the financial aid office of the institution, or who otherwise has responsibilities with respect to educational loans, shall solicit or accept any gift from a lender, guarantor, or servicer of educational loans.

(2) INSPECTOR GENERAL REPORT.—The Inspector General of the Department of Education shall investigate any reported violation of this subsection and shall annually submit a report to the authorizing committees identifying all substantiated violations of the gift ban under paragraph (1), including the lenders and covered institutions involved in each such violation, for the preceding year.

(3) DEFINITION OF GIFT.—

(A) IN GENERAL.—In this subsection, 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.

(B) EXCEPTIONS.—The term "gift" shall not include any of the following:

(i) Standard informational material related to a loan or financial literacy, such as a brochure.

(ii) Food, refreshments, training, or informational material furnished to an officer, employee, or agent of

an institution as an integral part of a training session that is designed to improve the service of a lender, guarantor, or servicer of educational loans to the covered institution, if such training contributes to the professional development of the officer, employee, or agent of the institution.

(iii) Favorable terms, conditions, and borrower benefits on an educational loan provided to a student employed by the covered institution if such terms, conditions, or benefits are comparable to those provided to all students of the institution.

(iv) Exit counseling services provided to borrowers to meet a covered institution's responsibilities for exit counseling as required by section 485(b) provided that—

(I) a covered institution's staff are in control of the counseling (whether in person or via electronic capabilities); and

(II) such counseling does not promote the products or services of any lender.

(v) Philanthropic contributions to a covered institution from a lender, guarantor, or servicer of educational loans that are unrelated to educational loans, provided, as applicable, that such contributions are disclosed pursuant to section 153(a)(1) and section 153(a)(2).

(C) RULE FOR GIFTS TO FAMILY MEMBERS.—For purposes of this section, a gift to a family member of an officer, employee, or agent of a covered institution, or a gift 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.

(c) CONTRACTING ARRANGEMENTS PROHIBITED.—

(1) PROHIBITION.—An officer, employee, or agent who is employed in the financial aid office of a covered institution, or who otherwise has responsibilities with respect to educational loans, shall not accept from any lender or affiliate of any lender (as the term affiliate is defined in section 487(a)) 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.

(2) EXCEPTIONS.—Nothing in this subsection shall be construed as prohibiting—

(A) an officer, employee, or agent of a covered institution who is not employed in the institution's financial aid office, or who does not otherwise have responsibilities with respect to educational loans, from paid or unpaid service on a board of directors of a lender, guarantor, or servicer of educational loans;

(B) an officer, employee, or agent of a covered institution who is not employed in the financial aid office but who has responsibility with respect to educational loans as a result of a position held at the covered institution, from paid or unpaid service on a board of directors of a lender, guarantor, or servicer of educational loans, provided that the covered institution has a written conflict of interest policy that clearly sets forth that such an officer, employee, or agent must be recused from participating in any decision of the board with respect to any transaction regarding educational loans; or

(C) an officer, employee, or agent of a lender, guarantor, or servicer of educational loans from serving on a board of directors or serving as a trustee of a covered institution, provided that the covered institution has a written conflict of interest policy that clearly sets forth the procedures to be followed in instances where such a board member's or trustee's personal or business interests with respect to educational loans may be advanced by an action of the board of directors or trustees, including a provision that such a board member or trustee may not participate in any decision to approve any transaction where such conflicting interests may be advanced.

(d) BAN ON REVENUE SHARING ARRANGEMENTS.—

(1) PROHIBITION.—A covered institution shall not enter into any revenue sharing arrangement with any lender.

(2) DEFINITION.—For purposes of this subsection, a revenue sharing arrangement is an arrangement between a covered institution and a lender under which—

(A) a lender provides or issues educational loans to students attending the institution or to parents of such students; and

(B)(i) the institution recommends the lender or the loan products of the lender; and

(ii) in exchange, the lender pays a fee or provides other material benefits, including revenue or profit sharing, to the institution or officers, employees, or agents of the institution.

(e) BAN ON STAFFING ASSISTANCE.—

(1) PROHIBITION.—A covered institution shall not request or accept from any lender any assistance with call center staffing or financial aid office staffing.

(2) CERTAIN ASSISTANCE PERMITTED.—Nothing in paragraph (1) shall be construed to prohibit a covered institution from requesting or accepting assistance from a lender related to—

(A) professional development training for financial aid administrators;

(B) 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

(C) staffing services on a short-term, non-recurring 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.

(f) PROHIBITION ON OFFERS OF FUNDS FOR PRIVATE LOANS.—

(1) PROHIBITION.—A covered institution shall not request or accept from any lender any offer of funds, including any opportunity pool, to be used for private educational loans to students in exchange for the covered institution providing concessions or promises to the lender with respect to such institution providing the lender with a specified number of loans, a specified loan volume, or a preferred lender arrangement for any loan made, insured, or guaranteed under title IV, and a lender shall not make any such offer.

(2) DEFINITION.—In this subsection, the term "opportunity pool" means an educational loan made by a private lender to a student attending the covered institution or the parent of such a student that is in any manner guaranteed by a covered institution, or that involves a payment, directly or indirectly, by such an institution of points, premiums, payments, additional interest, or other financial support to such lender for the purpose of such lender extending credit to either the students or the parents of students of the institution.

(g) BAN ON PARTICIPATION ON ADVISORY COUNCILS.—An officer, employee, or agent who is employed in the financial aid office of a covered institution, or who otherwise has responsibilities with respect to educational loans, shall not serve on or otherwise participate with advisory councils of lenders or affiliates of lenders. Nothing in this subsection shall prohibit lenders from seeking advice from covered institutions or groups of covered institutions (including through telephonic or electronic means, or a meeting) in order to improve products and services for borrowers, provided there are no gifts or compensation (including for transportation, lodging, or related expenses) provided by lenders in connection with seeking this advice from such institutions. Nothing in this subsection shall prohibit an officer, employee, or agent of a covered institution from serving on the board of directors of a lender if required by State law.

SEC. 156. COMPLIANCE AND ENFORCEMENT.

(a) CONDITION OF ANY FEDERAL ASSISTANCE.—Notwithstanding any other provision of law, a covered institution or lender shall comply with this part as a condition of receiving Federal funds or assistance provided after the date of enactment of the College Opportunity and Affordability Act of 2007.

(b) PENALTIES.—Notwithstanding any other provision of law, if the Secretary determines, after providing notice and an opportunity for a hearing for a covered institution or lender, that the covered institution or lender has violated subsection (a)—

(1) in the case of a covered institution, or a lender that does not participate in a loan program under title IV, the Secretary may impose a civil penalty in an amount of not more than $25,000; and

(2) in the case of a lender that does participate in a program under title IV, the Secretary may limit, terminate, or suspend the lender's participation in such program.

(c) CONSIDERATIONS.—In taking any action against a covered institution or lender under subsection (b), the Secretary shall take into consideration the nature and severity of the violation of subsection (a).

SEC. 157. STUDENT LOAN COUNSELING.

(a) BORROWER CONTACT.—

(1) FFEL LOANS.—Each holder of a loan under part B of title IV shall contact the borrower each year after five years has passed from the date that a borrower first selected either a graduated, extended, income sensitive, or income contingent repayment plan to ascertain if the borrower is able to select a repayment plan with a shorter repayment period that would reduce the total interest paid on the borrower's loan or loans under this part.

(2) DIRECT LOANS.—The Secretary shall contact the borrower of each loan under part D or E of title IV each year after five years has passed from the date that a borrower first selected either an extended, graduated, income contingent, or alternative repayment plan to ascertain if the borrower is able to select a repayment plan for a shorter repayment period that would reduce the total interest paid on the borrower's loan under this part.

(b) REQUIRED DISCLOSURE BEFORE DISBURSEMENT.—

(1) DISCLOSURES BEFORE REPAYMENT.—Each lender of a loan under part B of title IV, and the Secretary with respect to each loan under part D or E of such title, shall provide to the borrower before repayment begins an explanation of principal to be borrowed, current balance, interest already paid, and interest due over the life of the loan, options by which borrowers may avoid or be removed from default, relevant fees associated with these options, and repayment options available to the borrower entering repayment, including income contingent repayment and income-based repayment.

(2) DISCLOSURES DURING REPAYMENT.—Each lender of a loan under part B of title IV, and the Secretary with respect to each loan under part D or E of such title, shall provide to the borrower during repayment an explanation of principal borrowed, current balance, interest already paid and interest due over the life of the loan, options by which borrowers may avoid or be removed from default, relevant fees associated with these options, and repayment options available to the borrower entering repayment, including income contingent repayment and income-based repayment. Each such lender and the Secretary shall also notify any borrower who tells the lender or the Secretary that the borrower is having difficulty making payments of the repayment options available, including forbearance. Each such lender and the Secretary shall make an explanation of repayment options available to the borrower, including income contingent repayment and forbearance, before the loan is disbursed, before repayment, and during repayment if the borrower notifies the lender or the Secretary that the borrower is having difficulty making payments.

(c) INSTITUTIONAL COUNSELING.—

(1) IN GENERAL.—Each institution of higher education shall, through financial aid officers or otherwise, make available

counseling to borrowers of loans which are made, insured, or guaranteed under part B (other than loans made pursuant to section 428B) of this title or made under part D or E of this title prior to their signing the first promissory note. The counseling shall include—

(A) average indebtedness of borrowers at that school, to be supplied by the Secretary;

(B) sample monthly repayment amounts based on a range of student levels of indebtedness and on the average indebtedness of Stafford loan borrowers at the same school or in the same program of study at the same school;

(C) data to be supplied by the Secretary on starting salaries for graduates of institutions by type and control of institution, and field of study;

(D) repayment options available to the borrower when entering repayment, including income contingent repayment and income-based repayment;

(E) detail to be supplied by the Secretary on how interest accrues and is capitalized during periods when it is not being paid by either the borrower or the Secretary; and

(F) the likely consequences of default, including adverse credit reports, Federal offset, and litigation.

(2) USE OF ELECTRONIC MEANS.—If initial counseling is conducted through interactive electronic means, the institution of higher education shall take reasonable steps to ensure that each student borrower receives the counseling materials, and participates in and completes the initial counseling.

(d) DEPARTMENT OF EDUCATION INFORMATION DISCLOSURE AND TECHNICAL ASSISTANCE.—

(1) OBLIGATION.—The Secretary shall display on the Department of Education website and provide to colleges and universities the following information to be used for counseling and consumer information for prospective borrowers:

(A) Regional data on starting salaries in all major fields.

(B) The increase in debt that results from forbearance on all loans and from capitalization of interest on unsubsidized loans.

(C) The various repayment options available in the Federal student loan programs, including the availability of the income contingent repayment (ICR) program and the income-based repayment programs (IBR).

(D) The Federal Government's powers to collect student loans, even when student borrowers are in bankruptcy.

(2) PUBLICITY.—The Secretary shall make the location of the information under paragraph (1) widely known among the public, institutions, and lenders, and promote the use of such information by prospective students, enrolled students, and borrowers after entering repayment.

[TITLE II—TEACHER QUALITY ENHANCEMENT

[PART A—TEACHER QUALITY ENHANCEMENT GRANTS FOR STATES AND PARTNERSHIPS

[SEC. 201. PURPOSES; DEFINITIONS.

[(a) PURPOSES.—The purposes of this part are to—

[(1) improve student achievement;

[(2) improve the quality of the current and future teaching force by improving the preparation of prospective teachers and enhancing professional development activities;

[(3) hold institutions of higher education accountable for preparing teachers who have the necessary teaching skills and are highly competent in the academic content areas in which the teachers plan to teach, such as mathematics, science, English, foreign languages, history, economics, art, civics, Government, and geography, including training in the effective uses of technology in the classroom; and

[(4) recruit highly qualified individuals, including individuals from other occupations, into the teaching force.

[(b) DEFINITIONS.—In this part:

[(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 1 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 matter area, the disciplines or content areas in which academic majors are offered by the arts and science organizational unit.

[(2) HIGH NEED LOCAL EDUCATIONAL AGENCY.—The term "high need local educational agency" means a local educational agency that serves an elementary school or secondary school located in an area in which there is—

[(A) a high percentage of individuals from families with incomes below the poverty line;

[(B) a high percentage of secondary school teachers not teaching in the content area in which the teachers were trained to teach; or

[(C) a high teacher turnover rate.

[(3) POVERTY LINE.—The term "poverty line" means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.

[SEC. 202. STATE GRANTS.

[(a) IN GENERAL.—From amounts made available under section 210(1) for a fiscal year, the Secretary is authorized to award grants under this section, on a competitive basis, to eligible States to en-

able the eligible States to carry out the activities described in subsection (d).

[(b) ELIGIBLE STATE.—

[(1) DEFINITION.—In this part, the term "eligible State" means—

[(A) the Governor of a State; or

[(B) in the case of a State for which the constitution or law of such State designates another individual, entity, or agency in the State to be responsible for teacher certification and preparation activity, such individual, entity, or agency.

[(2) CONSULTATION.—The Governor and the individual, entity, or agency designated under paragraph (1) shall consult with the Governor, State board of education, State educational agency, or State agency for higher education, as appropriate, with respect to the activities assisted under this section.

[(3) CONSTRUCTION.—Nothing in this subsection shall be construed to negate or supersede the legal authority under State law of any State agency, State entity, or State public official over programs that are under the jurisdiction of the agency, entity, or official.

[(c) APPLICATION.—To be eligible to receive a grant under this section, an eligible State shall, at the time of the initial grant application, submit an application to the Secretary that—

[(1) meets the requirement of this section;

[(2) includes a description of how the eligible State intends to use funds provided under this section; and

[(3) contains such other information and assurances as the Secretary may require.

[(d) USES OF FUNDS.—An eligible State that receives a grant under this section shall use the grant funds to reform teacher preparation requirements, and to ensure that current and future teachers possess the necessary teaching skills and academic content knowledge in the subject areas in which the teachers are assigned to teach, by carrying out 1 or more of the following activities:

[(1) REFORMS.—Implementing reforms that hold institutions of higher education with teacher preparation programs accountable for preparing teachers who are highly competent in the academic content areas in which the teachers plan to teach, and possess strong teaching skills, which may include the use of rigorous subject matter competency tests and the requirement that a teacher have an academic major in the subject area, or related discipline, in which the teacher plans to teach.

[(2) CERTIFICATION OR LICENSURE REQUIREMENTS.—Reforming teacher certification or licensure requirements to ensure that teachers have the necessary teaching skills and academic content knowledge in the subject areas in which teachers are assigned to teach.

[(3) ALTERNATIVES TO TRADITIONAL PREPARATION FOR TEACHING.—Providing prospective teachers with alternatives to traditional preparation for teaching through programs at colleges of arts and sciences or at nonprofit educational organizations.

[(4) ALTERNATIVE ROUTES TO STATE CERTIFICATION.—Carrying out programs that—

[(A) include support during the initial teaching experience; and

[(B) establish, expand, or improve alternative routes to State certification of teachers for highly qualified individuals, including mid-career professionals from other occupations, paraprofessionals, former military personnel and recent college graduates with records of academic distinction.

[(5) RECRUITMENT; PAY; REMOVAL.—Developing and implementing effective mechanisms to ensure that local educational agencies and schools are able to effectively recruit highly qualified teachers, to financially reward those teachers and principals whose students have made significant progress toward high academic performance, such as through performance-based compensation systems and access to ongoing professional development opportunities for teachers and administrators, and to expeditiously remove incompetent or unqualified teachers consistent with procedures to ensure due process for the teachers.

[(6) SOCIAL PROMOTION.—Development and implementation of efforts to address the problem of social promotion and to prepare teachers to effectively address the issues raised by ending the practice of social promotion.

[(7) RECRUITMENT.—Activities described in section 204(d).

[SEC. 203. PARTNERSHIP GRANTS.

[(a) GRANTS.—From amounts made available under section 210(2) for a fiscal year, the Secretary is authorized to award grants under this section, on a competitive basis, to eligible partnerships to enable the eligible partnerships to carry out the activities described in subsections (d) and (e).

[(b) DEFINITIONS.—

[(1) ELIGIBLE PARTNERSHIPS.—In this part, the term "eligible partnerships" means an entity that—

[(A) shall include—

[(i) a partner institution;

[(ii) a school of arts and sciences; and

[(iii) a high need local educational agency; and

[(B) may include a Governor, State educational agency, the State board of education, the State agency for higher education, an institution of higher education not described in subparagraph (A), a public charter school, a public or private elementary school or secondary school, a public or private nonprofit educational organization, a business, a teacher organization, or a prekindergarten program.

[(2) PARTNER INSTITUTION.—In this section, the term "partner institution" means a private independent or State-supported public institution of higher education, the teacher training program of which demonstrates that—

[(A) graduates from the teacher training program 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 teach-

er's subject matter knowledge in the content area or areas 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 207(b); and

[(II) using the State report card on teacher preparation required under section 207(b), after the first publication of such report card and for every year thereafter; or

[(B) the teacher training program requires all the students of the program to participate in intensive clinical experience, to meet high academic standards, and—

[(i) in the case of secondary school candidates, to successfully complete an academic major in the subject area in which the candidate intends to teach or to demonstrate competence through a high level of performance in relevant content areas; and

[(ii) in the case of elementary school candidates, to successfully complete an academic major in the arts and sciences or to demonstrate competence through a high level of performance in core academic subject areas.

[(c) 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—

[(1) contain a needs assessment of all the partners with respect to teaching and learning and a description of how the partnership will coordinate with other teacher training or professional development programs, and how the activities of the partnership will be consistent with State, local, and other education reform activities that promote student achievement;

[(2) contain a resource assessment that describes the resources available to the partnership, the intended use of the grant funds, including a description of how the grant funds will be fairly distributed in accordance with subsection (f), and the commitment of the resources of the partnership to the activities assisted under this part, including financial support, faculty participation, time commitments, and continuation of the activities when the grant ends; and

[(3) contain a description of—

[(A) how the partnership will meet the purposes of this part;

[(B) how the partnership will carry out the activities required under subsection (d) and any permissible activities under subsection (e); and

[(C) the partnership's evaluation plan pursuant to section 206(b).

[(d) REQUIRED USES OF FUNDS.—An eligible partnership that receives a grant under this section shall use the grant funds to carry out the following activities:

[(1) REFORMS.—Implementing reforms within teacher preparation programs to hold the programs accountable for preparing teachers who are highly competent in the academic content areas in which the teachers plan to teach, and for promoting strong teaching skills, including working with a school of arts and sciences and integrating reliable research-based teaching methods into the curriculum, which curriculum shall include programs designed to successfully integrate technology into teaching and learning.

[(2) CLINICAL EXPERIENCE AND INTERACTION.—Providing sustained and high quality preservice clinical experience including the mentoring of prospective teachers by veteran teachers, and 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) PROFESSIONAL DEVELOPMENT.—Creating opportunities for enhanced and ongoing professional development that improves the academic content knowledge of teachers in the subject areas in which the teachers are certified to teach or in which the teachers are working toward certification to teach, and that promotes strong teaching skills.

[(e) ALLOWABLE USES OF FUNDS.—An eligible partnership that receives a grant under this section may use such funds to carry out the following activities:

[(1) TEACHER PREPARATION AND PARENT INVOLVEMENT.—Preparing teachers to work with diverse student populations, including individuals with disabilities and limited English proficient individuals, and involving parents in the teacher preparation program reform process.

[(2) DISSEMINATION AND COORDINATION.—Broadly disseminating information on effective practices used by the partnership, and coordinating with the activities of the Governor, State board of education, State higher education agency, and State educational agency, as appropriate.

[(3) MANAGERIAL AND LEADERSHIP SKILLS.—Developing and implementing proven mechanisms to provide principals and superintendents with effective managerial and leadership skills that result in increased student achievement.

[(4) TEACHER RECRUITMENT.—Activities described in section 204(d).

[(f) SPECIAL RULE.—No individual member of an eligible partnership shall retain more than 50 percent of the funds made available to the partnership under this section.

[(g) CONSTRUCTION.—Nothing in this section shall be construed to prohibit an eligible partnership from using grant funds to coordinate with the activities of more than one Governor, State board of education, State educational agency, local educational agency, or State agency for higher education.

[SEC. 204. TEACHER RECRUITMENT GRANTS.

[(a) PROGRAM AUTHORIZED.—From amounts made available under section 210(3) for a fiscal year, the Secretary is authorized to award grants, on a competitive basis, to eligible applicants to en-

able the eligible applicants to carry out activities described in subsection (d).

[(b) ELIGIBLE APPLICANT DEFINED.—In this part, the term "eligible applicant" means—

[(1) an eligible State described in section 202(b); or

[(2) an eligible partnership described in section 203(b).

[(c) APPLICATION.—Any eligible applicant desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require, including—

[(1) a description of the assessment that the eligible applicant, and the other entities with whom the eligible applicant will carry out the grant activities, have undertaken to determine the most critical needs of the participating high-need local educational agencies;

[(2) a description of the activities the eligible applicant will carry out with the grant; and

[(3) a description of the eligible applicant's plan for continuing the activities carried out with the grant, once Federal funding ceases.

[(d) USES OF FUNDS.—Each eligible applicant receiving a grant under this section shall use the grant funds—

[(1)(A) to award scholarships to help students pay the costs of tuition, room, board, and other expenses of completing a teacher preparation program;

[(B) to provide support services, if needed to enable scholarship recipients to complete postsecondary education programs; and

[(C) for followup services provided to former scholarship recipients during the recipients first 3 years of teaching; or

[(2) to develop and implement effective mechanisms to ensure that high need local educational agencies and schools are able to effectively recruit highly qualified teachers.

[(e) SERVICE REQUIREMENTS.—The Secretary shall establish such requirements as the Secretary finds necessary to ensure that recipients of scholarships under this section who complete teacher education programs subsequently teach in a high-need local educational agency, for a period of time equivalent to the period for which the recipients receive scholarship assistance, or repay the amount of the scholarship. The Secretary shall use any such repayments to carry out additional activities under this section.

[SEC. 205. ADMINISTRATIVE PROVISIONS.

[(a) DURATION; ONE-TIME AWARDS; PAYMENTS.—

[(1) DURATION.—

[(A) ELIGIBLE STATES AND ELIGIBLE APPLICANTS.—Grants awarded to eligible States and eligible applicants under this part shall be awarded for a period not to exceed 3 years.

[(B) ELIGIBLE PARTNERSHIPS.—Grants awarded to eligible partnerships under this part shall be awarded for a period of 5 years.

[(2) ONE-TIME AWARD.—An eligible State and an eligible partnership may receive a grant under each of sections 202, 203, and 204 only once.

[(3) PAYMENTS.—The Secretary shall make annual payments of grant funds awarded under this part.

[(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.—In recommending applications to the Secretary for funding under this part, the panel shall—

[(A) with respect to grants under section 202, give priority to eligible States serving States that—

[(i) have initiatives to reform State teacher certification requirements that are designed to ensure that current and future teachers possess the necessary teaching skills and academic content knowledge in the subject areas in which the teachers are certified or licensed to teach;

[(ii) include innovative reforms to hold institutions of higher education with teacher preparation programs accountable for preparing teachers who are highly competent in the academic content area in which the teachers plan to teach and have strong teaching skills; or

[(iii) involve the development of innovative efforts aimed at reducing the shortage of highly qualified teachers in high poverty urban and rural areas;

[(B) with respect to grants under section 203—

[(i) give priority to applications from eligible partnerships that involve businesses; and

[(ii) take into consideration—

[(I) providing an equitable geographic distribution of the grants throughout the United States; and

[(II) the potential of the proposed activities for creating improvement and positive change.

[(3) SECRETARIAL SELECTION.—The Secretary shall determine, based on the peer review process, which application 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.

[(c) MATCHING REQUIREMENTS.—

[(1) STATE GRANTS.—Each eligible State receiving a grant under section 202 or 204 shall provide, from non-Federal sources, an amount equal to 50 percent of the amount of the grant (in cash or in kind) to carry out the activities supported by the grant.

[(2) PARTNERSHIP GRANTS.—Each eligible partnership receiving a grant under section 203 or 204 shall provide, from non-Federal sources (in cash or in kind), an amount equal to 25 percent of the grant for the first year of the grant, 35 percent of the grant for the second year of the grant, and 50 percent of the grant for each succeeding year of the grant.

[(d) LIMITATION ON ADMINISTRATIVE EXPENSES.—An eligible State or eligible partnership that receives a grant under this part may not use more than 2 percent of the grant funds for purposes of administering the grant.

[(e) TEACHER QUALIFICATIONS PROVIDED TO PARENTS UPON REQUEST.—Any local educational agency or school that benefits from the activities assisted under this part shall make available, upon request and in an understandable and uniform format, to any parent of a student attending any school served by the local educational agency, information regarding the qualification of the student's classroom teacher with regard to the subject matter in which the teacher provides instruction. The local educational agency shall inform parents that the parents are entitled to receive the information upon request.

[SEC. 206. ACCOUNTABILITY AND EVALUATION.

[(a) STATE GRANT ACCOUNTABILITY REPORT.—An eligible State that receives a grant under section 202 shall submit an annual accountability report to the Secretary, the Committee on Labor and Human Resources of the Senate, and the Committee on Education and the Workforce of the House of Representatives. Such report shall include a description of the degree to which the eligible State, in using funds provided under such section, has made substantial progress in meeting the following goals:

[(1) STUDENT ACHIEVEMENT.—Increasing student achievement for all students as defined by the eligible State.

[(2) RAISING STANDARDS.—Raising the State academic standards required to enter the teaching profession, including, where appropriate, through the use of incentives to incorporate the requirement of an academic major in the subject, or related discipline, in which the teacher plans to teach.

[(3) INITIAL CERTIFICATION OR LICENSURE.—Increasing success in the pass rate for initial State teacher certification or licensure, or increasing the numbers of highly qualified individuals being certified or licensed as teachers through alternative programs.

[(4) CORE ACADEMIC SUBJECTS.—

[(A) SECONDARY SCHOOL CLASSES.—Increasing the percentage of secondary school classes taught in core academic subject areas by teachers—

[(i) with academic majors in those areas or in a related field;

[(ii) who can demonstrate a high level of competence through rigorous academic subject area tests; or

[(iii) who can demonstrate competence through a high level of performance in relevant content areas.

[(B) ELEMENTARY SCHOOL CLASSES.—Increasing the percentage of elementary school classes taught by teachers—

[(i) with academic majors in the arts and sciences; or

[(ii) who can demonstrate competence through a high level of performance in core academic subjects.

[(5) DECREASING TEACHER SHORTAGES.—Decreasing shortages of qualified teachers in poor urban and rural areas.

[(6) INCREASING OPPORTUNITIES FOR PROFESSIONAL DEVELOPMENT.—Increasing opportunities for enhanced and ongoing pro-

fessional development that improves the academic content knowledge of teachers in the subject areas in which the teachers are certified or licensed to teach or in which the teachers are working toward certification or licensure to teach, and that promotes strong teaching skills.

[(7) TECHNOLOGY INTEGRATION.—Increasing the number of teachers prepared to integrate technology in the classroom.

[(b) ELIGIBLE PARTNERSHIP EVALUATION.—Each eligible partnership receiving a grant under section 203 shall establish and include in the application submitted under section 203(c), an evaluation plan that includes strong performance objectives. The plan shall include objectives and measures for—

[(1) increased student achievement for all students as measured by the partnership;

[(2) increased teacher retention in the first 3 years of a teacher's career;

[(3) increased success in the pass rate for initial State certification or licensure of teachers; and

[(4) increased percentage of secondary school classes taught in core academic subject areas by teachers—

[(A) with academic majors in the areas or in a related field; and

[(B) who can demonstrate a high level of competence through rigorous academic subject area tests or who can demonstrate competence through a high level of performance in relevant content areas;

[(5) increasing the percentage of elementary school classes taught by teachers with academic majors in the arts and sciences or who demonstrate competence through a high level of performance in core academic subject areas; and

[(6) increasing the number of teachers trained in technology.

[(c) REVOCATION OF GRANT.—

[(1) REPORT.—Each eligible State or eligible partnership receiving a grant under this part shall report annually on the progress of the eligible State or eligible partnership toward meeting the purposes of this part and the goals, objectives, and measures described in subsections (a) and (b).

[(2) REVOCATION.—

[(A) ELIGIBLE STATES AND ELIGIBLE APPLICANTS.—If the Secretary determines that an eligible State or eligible applicant is not making substantial progress in meeting the purposes, goals, objectives, and measures, as appropriate, by the end of the second year of a grant under this part, then the grant payment shall not be made for the third year of the grant.

[(B) ELIGIBLE PARTNERSHIPS.—If the Secretary determines that an eligible partnership is not making substantial progress in meeting the purposes, goals, objectives, and measures, as appropriate, by the end of the third year of a grant under this part, then the grant payments shall not be made for any succeeding year of the grant.

[(d) EVALUATION AND DISSEMINATION.—The Secretary shall evaluate the activities funded under this part and report the Secretary's findings regarding the activities to the Committee on Labor and Human Resources of the Senate and the Committee on

Education and the Workforce of the House of Representatives. The Secretary shall broadly disseminate successful practices developed by eligible States and eligible partnerships under this part, and shall broadly disseminate information regarding such practices that were found to be ineffective.

[SEC. 207. ACCOUNTABILITY FOR PROGRAMS THAT PREPARE TEACHERS.

[(a) DEVELOPMENT OF DEFINITIONS AND REPORTING METHODS.—Within 9 months of the date of enactment of the Higher Education Amendments of 1998, the Commissioner of the National Center for Education Statistics, in consultation with States and institutions of higher education, shall develop key definitions for terms, and uniform reporting methods (including the key definitions for the consistent reporting of pass rates), related to the performance of elementary school and secondary school teacher preparation programs.

[(b) STATE REPORT CARD ON THE QUALITY OF TEACHER PREPARATION.—Each State that receives funds under this Act shall provide to the Secretary, within 2 years of the date of enactment of the Higher Education Amendments of 1998, and annually thereafter, in a uniform and comprehensible manner that conforms with the definitions and methods established in subsection (a), a State report card on the quality of teacher preparation in the State, which shall include at least the following:

[(1) A description of the teacher certification and licensure assessments, and any other certification and licensure requirements, used by the State.

[(2) The standards and criteria that prospective teachers must meet in order to attain initial teacher certification or licensure and to be certified or licensed to teach particular subjects or in particular grades within the State.

[(3) A description of the extent to which the assessments and requirements described in paragraph (1) are aligned with the State's standards and assessments for students.

[(4) The percentage of teaching candidates who passed each of the assessments used by the State for teacher certification and licensure, and the passing score on each assessment that determines whether a candidate has passed that assessment.

[(5) The percentage of teaching candidates who passed each of the assessments used by the State for teacher certification and licensure, disaggregated and ranked, by the teacher preparation program in that State from which the teacher candidate received the candidate's most recent degree, which shall be made available widely and publicly.

[(6) Information on the extent to which teachers in the State are given waivers of State certification or licensure requirements, including the proportion of such teachers distributed across high- and low-poverty school districts and across subject areas.

[(7) A description of each State's alternative routes to teacher certification, if any, and the percentage of teachers certified through alternative certification routes who pass State teacher certification or licensure assessments.

[(8) For each State, a description of proposed criteria for assessing the performance of teacher preparation programs with-

in institutions of higher education in the State, including indicators of teacher candidate knowledge and skills.

[(9) Information on the extent to which teachers or prospective teachers in each State are required to take examinations or other assessments of their subject matter knowledge in the area or areas in which the teachers provide instruction, the standards established for passing any such assessments, and the extent to which teachers or prospective teachers are required to receive a passing score on such assessments in order to teach in specific subject areas or grade levels.

[(c) INITIAL REPORT.—

[(1) IN GENERAL.—Each State that receives funds under this Act, not later than 6 months of the date of enactment of the Higher Education Amendments of 1998 and in a uniform and comprehensible manner, shall submit to the Secretary the information described in paragraphs (1), (5), and (6) of subsection (b). Such information shall be compiled by the Secretary and submitted to the Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives not later than 9 months after the date of enactment of the Higher Education Amendments of 1998.

[(2) CONSTRUCTION.—Nothing in this subsection shall be construed to require a State to gather information that is not in the possession of the State or the teacher preparation programs in the State, or readily available to the State or teacher preparation programs.

[(d) REPORT OF THE SECRETARY ON THE QUALITY OF TEACHER PREPARATION.—

[(1) REPORT CARD.—The Secretary shall provide to Congress, and publish and make widely available, a report card on teacher qualifications and preparation in the United States, including all the information reported in paragraphs (1) through (9) of subsection (b). Such report shall identify States for which eligible States and eligible partnerships received a grant under this part. Such report shall be so provided, published and made available not later than 2 years 6 months after the date of enactment of the Higher Education Amendments of 1998 and annually thereafter.

[(2) REPORT TO CONGRESS.—The Secretary shall report to Congress—

[(A) a comparison of States' efforts to improve teaching quality; and

[(B) regarding the national mean and median scores on any standardized test that is used in more than 1 State for teacher certification or licensure.

[(3) SPECIAL RULE.—In the case of teacher preparation programs with fewer than 10 graduates taking any single initial teacher certification or licensure assessment during an academic year, the Secretary shall collect and publish information with respect to an average pass rate on State certification or licensure assessments taken over a 3-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 certifi-

cation or licensure assessments in a State other than the State in which the individual received the individual's most recent degree.

[(f) INSTITUTIONAL REPORT CARDS ON THE QUALITY OF TEACHER PREPARATION.—

[(1) REPORT CARD.—Each institution of higher education that conducts a teacher preparation program that enrolls students receiving Federal assistance under this Act, not later than 18 months after the date of enactment of the Higher Education Amendments of 1998 and annually thereafter, shall report to the State and the general public, in a uniform and comprehensible manner that conforms with the definitions and methods established under subsection (a), the following information:

[(A) PASS RATE.—(i) For the most recent year for which the information is available, the pass rate of the institution's graduates on the teacher certification or licensure assessments of the State in which the institution is located, but only for those students who took those assessments within 3 years of completing the program.

[(ii) A comparison of the program's pass rate with the average pass rate for programs in the State.

[(iii) In the case of teacher preparation programs with fewer than 10 graduates taking any single initial teacher certification or licensure assessment during an academic year, the institution shall collect and publish information with respect to an average pass rate on State certification or licensure assessments taken over a 3-year period.

[(B) PROGRAM INFORMATION.—The number of students in the program, the average number of hours of supervised practice teaching required for those in the program, and the faculty-student ratio in supervised practice teaching.

[(C) STATEMENT.—In States that approve or accredit teacher education programs, a statement of whether the institution's program is so approved or accredited.

[(D) DESIGNATION AS LOW-PERFORMING.—Whether the program has been designated as low-performing by the State under section 208(a).

[(2) REQUIREMENT.—The information described in paragraph (1) shall be reported through publications such as school catalogs and promotional materials sent to potential applicants, secondary school guidance counselors, and prospective employers of the institution's program graduates.

[(3) FINES.—In addition to the actions authorized in section 487(c), the Secretary may impose a fine not to exceed $25,000 on an institution of higher education for failure to provide the information described in this subsection in a timely or accurate manner.

[SEC. 208. STATE FUNCTIONS.

[(a) STATE ASSESSMENT.—In order to receive funds under this Act, a State, not later than 2 years after the date of enactment of the Higher Education Amendments of 1998, shall have in place a procedure to identify, and assist, through the provision of technical assistance, low-performing programs of teacher preparation within institutions of higher education. Such State shall provide the Secretary an annual list of such low-performing institutions that in-

cludes an identification of those institutions at-risk of being placed on such list. Such levels of performance shall be determined solely by the State and may include criteria based upon information collected pursuant to this part. Such assessment shall be described in the report under section 207(b).

[(b) TERMINATION OF ELIGIBILITY.—Any institution of higher education that offers a program of teacher preparation in which the State has withdrawn the State's approval or terminated the State's financial support due to the low performance of the institution's teacher preparation 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 of Education; and

[(2) shall not be permitted to accept or enroll any student that receives aid under title IV of this Act in the institution's teacher preparation program.

[(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.

[SEC. 209. GENERAL PROVISIONS.

[(a) METHODS.—In complying with sections 207 and 208, the Secretary shall ensure that States and institutions of higher education use fair and equitable methods in reporting and that the reporting methods protect the privacy of individuals.

[(b) SPECIAL RULE.—For each State in which there are no State certification or licensure assessments, or for States that do not set minimum performance levels on those assessments—

[(1) the Secretary shall, 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, the Secretary shall use such data to carry out requirements of this part related to assessments or pass rates.

[(c) LIMITATIONS.—

[(1) FEDERAL CONTROL PROHIBITED.—Nothing in this part shall be construed to permit, allow, encourage, or authorize any Federal control over any aspect of any private, religious, or home school, whether or not a home school is treated as a private school or home school under State law. This section shall not be construed to prohibit private, religious, or home schools from participation in programs or services under this part.

[(2) NO CHANGE IN STATE CONTROL ENCOURAGED OR REQUIRED.—Nothing in this part shall be construed to encourage or require any change in a State's treatment of any private, religious, or home school, whether or not a home school is treated as a private school or home school under State law.

[(3) NATIONAL SYSTEM OF TEACHER CERTIFICATION PROHIBITED.—Nothing in this part shall be construed to permit, allow,

encourage, or authorize the Secretary to establish or support any national system of teacher certification.

[SEC. 210. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated to carry out this part $300,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years, of which—

[(1) 45 percent shall be available for each fiscal year to award grants under section 202;

[(2) 45 percent shall be available for each fiscal year to award grants under section 203; and

[(3) 10 percent shall be available for each fiscal year to award grants under section 204.

[PART B—PREPARING TOMORROW'S TEACHERS TO USE TECHNOLOGY

[SEC. 221. PURPOSE AND PROGRAM AUTHORITY.

[(a) PURPOSE.—It is the purpose of this part to assist consortia of public and private entities—

[(1) to carry out programs that prepare prospective teachers to use advanced technology to prepare all students to meet challenging State and local academic content and student academic achievement standards; and

[(2) to improve the ability of institutions of higher education to carry out such programs.

[(b) PROGRAM AUTHORITY.—

[(1) IN GENERAL.—The Secretary is authorized to award grants to eligible applicants, or enter into contracts or cooperative agreements with eligible applicants, on a competitive basis in order to pay for the Federal share of the cost of projects to develop or redesign teacher preparation programs to enable prospective teachers to use advanced technology effectively in their classrooms.

[(2) PERIOD OF AWARDS.—The Secretary may award grants, or enter into contracts or cooperative agreements, under this part for periods that are not more than 5 years in duration.

[SEC. 222. ELIGIBILITY.

[(a) ELIGIBLE APPLICANTS.—In order to receive a grant or enter into a contract or cooperative agreement under this part, an applicant shall be a consortium that includes the following:

[(1) At least one institution of higher education that awards baccalaureate degrees and prepares teachers for their initial entry into teaching.

[(2) At least one State educational agency or local educational agency.

[(3) One or more of the following entities:

[(A) An institution of higher education (other than the institution described in paragraph (1)).

[(B) A school or department of education at an institution of higher education.

[(C) A school or college of arts and sciences (as defined in section 201(b)) at an institution of higher education.

[(D) A professional association, foundation, museum, library, for-profit business, public or private nonprofit orga-

nization, community-based organization, or other entity, with the capacity to contribute to the technology-related reform of teacher preparation programs.

[(b) APPLICATION REQUIREMENTS.—In order to receive a grant or enter into a contract or cooperative agreement under this part, an eligible applicant 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 proposed project, including how the project would—

[(A) ensure that individuals participating in the project would be prepared to use advanced technology to prepare all students, including groups of students who are underrepresented in technology-related fields and groups of students who are economically disadvantaged, to meet challenging State and local academic content and student academic achievement standards; and

[(B) improve the ability of at least one participating institution of higher education described in section 222(a)(1) to ensure such preparation.

[(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 active 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 project activities.

[(4) A description of how the proposed project will be continued after Federal funds are no longer awarded under this part for the project.

[(5) A plan for the evaluation of the project, which shall include benchmarks to monitor progress toward specific project objectives.

[(c) MATCHING REQUIREMENTS.—

[(1) IN GENERAL.—The Federal share of the cost of any project funded under this part shall not exceed 50 percent. Except as provided in paragraph (2), the non-Federal share of the cost of such project may be provided in cash or in kind, fairly evaluated, including services.

[(2) ACQUISITION OF EQUIPMENT.—Not more than 10 percent of the funds awarded for a project under this part may be used to acquire equipment, networking capabilities, or infrastructure, and the non-Federal share of the cost of any such acquisition shall be provided in cash.

[SEC. 223. USE OF FUNDS.

[(a) REQUIRED USES.—A consortium that receives a grant or enters into a contract or cooperative agreement under this part shall use funds made available under this part for—

[(1) a project creating one or more programs that prepare prospective teachers to use advanced technology to prepare all students, including groups of students who are underrepresented in technology-related fields and groups of students who are economically disadvantaged, to meet challenging State

and local academic content and student academic achievement standards; and

[(2) evaluating the effectiveness of the project.

[(b) PERMISSIBLE USES.—The consortium may use funds made available under this part for a project, described in the application submitted by the consortium under this part, that carries out the purpose of this part, such as the following:

[(1) Developing and implementing high-quality teacher preparation programs that enable educators—

[(A) to learn the full range of resources that can be accessed through the use of technology;

[(B) to integrate a variety of technologies into curricula and instruction in order to expand students' knowledge;

[(C) to evaluate educational technologies and their potential for use in instruction;

[(D) to help students develop their technical skills; and

[(E) to use technology to collect, manage, and analyze data to improve teaching and decisionmaking.

[(2) Developing alternative teacher development paths that provide elementary schools and secondary schools with well-prepared, technology-proficient educators.

[(3) Developing achievement-based standards and assessments aligned with the standards to measure the capacity of prospective teachers to use technology effectively in their classrooms.

[(4) Providing technical assistance to entities carrying out other teacher preparation programs.

[(5) Developing and disseminating resources and information in order to assist institutions of higher education to prepare teachers to use technology effectively in their classrooms.

[(6) Subject to section 222(c)(2), acquiring technology equipment, networking capabilities, infrastructure, software, and digital curricula to carry out the project.

[SEC. 224. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated to carry out this part such sums as may be necessary for each of fiscal years 2002 and 2003.]

TITLE II—TEACHER QUALITY ENHANCEMENT

SEC. 200. DEFINITIONS.

For purposes of 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 1 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 as 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" has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

(4) 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.);

(B) a State licensed or regulated child care program or school; or

(C) a State prekindergarten program that serves children from birth through kindergarten and that addresses the children's cognitive (including language, early literacy, and pre-numeracy), social, emotional, and physical development.

(5) 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.

(6) EDUCATIONAL SERVICE AGENCY.—The term "educational service agency" has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

(7) ESSENTIAL COMPONENTS OF READING INSTRUCTION.—The term "essential components of reading instruction" has the meaning given such term in section 1208 of the Elementary and Secondary Education Act of 1965.

(8) EXEMPLARY TEACHER.—The term "exemplary teacher" has the meaning given such term in section 9101 of the Elementary and Secondary Education Act of 1965.

(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; or

(iii) with a total of less than 600 students in average daily attendance at the schools that are served by the agency, and all of the schools that are served by the agency are designated with a school locale code of Rural: Fringe, Rural: Distant, or Rural: Remote, as determined by the Secretary; 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.—Notwithstanding section 103, the term "high-need school" means a public elementary school or public secondary school that—

(A) is among the highest 25 percent of schools served by the local educational agency that serves the school, in terms of the percentage of students from families with incomes below the poverty line; or

(B) is designated with a school locale code of Rural: Fringe, Rural: Distant, or Rural: Remote, as determined by the Secretary.

(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.

(13) HIGHLY QUALIFIED.—The term "highly qualified" has the meaning given such term in section 9101 of the Elementary and Secondary Education Act of 1965 and, with respect to special education teachers, in section 602 of the Individuals with Disabilities Education Act.

(14) LITERACY COACH.—The term "literacy coach" means an individual—

(A) who—

(i) has teaching experience and a master's degree with a concentration in reading and writing education; and

(ii) has demonstrated proficiency (as determined by the principal of the individual's school) in teaching reading and writing in a content area such as math, science, or social studies;

(B) whose primary role with teachers and school personnel is—

(i) to provide high-quality professional development opportunities for teachers and school personnel related to literacy;

(ii) with respect to the areas of reading and writing, to collaborate with paraprofessionals, teachers, principals, and other administrators, and the community served by the school; and

(iii) to work cooperatively and collaboratively with other professionals in planning programs to meet the needs of diverse population learners, including chil-

dren with disabilities and limited English proficient individuals; and

(C) who may provide students with—

(i) reading or writing diagnosis and instruction; and

(ii) reading and writing assessment, including assessment in cooperation with other professionals (such as special education teachers, speech and language teachers, and school psychologists).

(15) 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.

(16) PROFESSIONAL DEVELOPMENT.—The term "professional development" has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

(17) 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 accepted principles of scientific research.

(18) 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) 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;

(D) 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 measure higher-order thinking skills, including application, analysis, synthesis, and evaluation;

(E) effectively manage a classroom, including the ability to implement positive behavioral intervention support strategies;

(F) communicate and work with parents and guardians, and involve parents and guardians in their children's education; and

(G) use, in the case of an early childhood educator, age-appropriate and developmentally appropriate strategies and practices for children in early education programs.

SEC. 200A. RULE OF CONSTRUCTION.

Nothing in this title shall be construed to alter or otherwise affect the rights, remedies, and procedures afforded to the employees of local educational agencies 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, including the right of employees of local educational agencies to engage in collective bargaining with their employers.

PART A—TEACHER QUALITY PARTNERSHIP GRANTS

SEC. 201. PURPOSES; DEFINITIONS.

(a) PURPOSES.—The purposes of this part are to—

(1) improve student achievement;

(2) improve the quality of the current and future teaching force by improving the preparation of prospective teachers and enhancing professional development activities;

(3) hold teacher preparation programs at institutions of higher education accountable for preparing highly qualified teachers; and

(4) recruit highly qualified individuals, including minorities and individuals from other occupations, into the teaching force.

(b) DEFINITIONS.—In this part:

(1) ELIGIBLE PARTNERSHIP.—The term "eligible partnership" means an entity that—

(A) shall include—

(i) a high-need local educational agency;

(ii) a high-need school or a consortium of high-need schools served by the high-need local educational agency or, 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 or a teacher professional development program within such partner institution; 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 5210 of the Elementary and Secondary Education 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.

(2) INDUCTION PROGRAM.—The term "induction program" means a formalized program for new teachers during not less than the teachers' first 2 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 mentor teachers in the same department or field, as well as time for information-sharing among teachers, principals, administrators, 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 upon 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 of 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 data's applicability in classroom instruction.

(I) Structured and formal observation of new teachers, and feedback for such teachers, at least 4 times each school year by multiple evaluators, including master teachers and the principal, using valid and reliable benchmarks of teaching skills and standards developed with input from teachers.

(3) 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 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); 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; or

(B) that requires—

(i) each student in the program to meet and demonstrate high academic standards (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 to become highly qualified; 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.

(4) TEACHER MENTORING.—The term "teacher mentoring" means the mentoring of new or prospective teachers through a new or established 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;

(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;

(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.

(5) TEACHING RESIDENCY PROGRAM.—The term "teaching residency program" means a school-based teacher preparation program in which a prospective teacher—

(A) for 1 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 may include courses 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, earns a master's degree, attains full State teacher certification or licensure, and becomes highly qualified.

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 all the partners in the eligible partnership with respect to the preparation, ongoing training, professional development, and retention, of general and special education teachers, principals, and, as applicable, early childhood educators;

(2) a description of the extent to which the program prepares prospective and new teachers with strong teaching skills;

(3) a description of how the program will prepare prospective and new teachers to use research and data to modify and improve instruction in the classroom;

(4) a description of how the partnership will coordinate strategies and activities assisted under the grant with other teacher preparation or professional development programs, including those funded under the Elementary and Secondary Education Act of 1965 and the Individuals with Disabilities Education Act, and through the National Science Foundation, and how the activities of the partnership will be consistent with State, local, and other education reform activities that promote student achievement;

(5) a resource assessment that describes the resources available to the partnership, including—

(A) the integration of funds from other sources;

(B) the intended use of the grant funds;

(C) the commitment of the resources of the partnership, including financial support, faculty participation, and time

commitments, to the activities assisted under this section and to the continuation of the activities when the grant ends;

(6) a description of—

(A) how the 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 achievement;

(C) the partnership's evaluation plan under section 204(a);

(D) how the partnership will align the teacher preparation program 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) student academic achievement standards and academic content standards under section 1111(b)(2) of the Elementary and Secondary Education Act of 1965, established by the State in which the partnership is located;

(E) 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;

(F) how the partnership will prepare general education and special education teachers to teach students with limited English proficiency;

(G) how faculty at the partner institution will work, during the term of the grant, with highly qualified teachers in the classrooms of schools served by the high-need local educational agency in the partnership to provide high-quality professional development activities;

(H) how the partnership will design, implement, or enhance a year-long, rigorous, and enriching teaching preservice clinical program component;

(I) how the partnership will support in-service professional development strategies and activities; and

(J) how the partnership will collect, analyze, and use data on the retention of all teachers and early childhood educators in schools and early childhood 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—

(A) a description of how the teacher preparation program will design and implement an induction program to support all new teachers through not less than the first 2 years of teaching 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;

(B) a demonstration that the schools and departments within the institution of higher education that are part of the induction program have relevant and essential roles in the effective preparation of teachers, including content expertise and expertise in teaching;

(C) a demonstration of the partnership's capability and commitment to the use of empirically based practice and scientifically valid research related to teaching and learning, and the accessibility to and involvement of faculty; 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 or secondary school classroom setting, as applicable, including release time and receiving workload credit for such participation.

(c) REQUIRED USE OF GRANT FUNDS.—An eligible partnership that receives a grant under this section shall use grant funds to carry out a program for the pre-baccalaureate preparation of teachers under subsection (d), a teaching residency program under subsection (e), a leadership development program under subsection (f), or a combination of two or more such programs.

(d) PARTNERSHIP GRANTS FOR PRE-BACCALAUREATE PREPARATION OF TEACHERS.—An eligible partnership that receives a grant to carry out an effective program for the pre-baccalaureate preparation of teachers shall carry out a 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) current or prospective teachers to be highly qualified (including teachers in rural school districts who may teach multiple subjects, special educators, teachers of students who are limited English proficient who may teach multiple subjects, and teachers who are qualified to teach Advanced Placement or International Baccalaureate courses);

(II) such teachers and, as applicable, early childhood educators, to understand empirically based practice and scientifically valid research related to teaching and learning and its applicability, and to use technology effectively, including the use of instructional techniques and positive behavioral 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 im-

prove 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 research, where applicable, about the disciplines of teaching and learning so that all prospective teachers and, as applicable, early childhood educators—

(I) can understand and implement research-based teaching practices in classroom-based 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 instruction in the classroom;

(IV) possess teaching skills and an understanding of effective instructional strategies across all applicable content areas that enable general 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, 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 in the individualized education program process, 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 using the essential components of reading 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 new teachers receive training in both teaching and relevant content areas in order to become highly qualified, which may include training in multiple subjects to teach multiple grade levels as may be needed for individuals preparing to teach in rural communities;

(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 curriculum changes to prepare teachers to teach Advanced Placement or International Baccalaureate courses.

(2) CLINICAL EXPERIENCE AND INTERACTION.—Developing and improving a sustained and high-quality pre-service 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 activity or a combination of activities, 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 faculty and new and experienced teachers, principals, and other administrators 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, which may include preparation for meeting the unique needs of teaching in rural communities.

(C) Provide high-quality teacher mentoring.

(D)(i) Be offered over the course of a program of teacher preparation;

(ii) be tightly aligned with course work (and may be developed as a 5th year of a teacher preparation program); and

(iii) where feasible, allow prospective teachers to learn to teach in the same school district in which the teachers will work, learning the instructional initiatives and curriculum of that district.

(E) Provide support and training for those individuals participating in an activity for prospective teachers described in this paragraph or paragraph (1) or (3), and for those 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 merit or performance-based pay.

(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 highly qualified teachers through the activities of the eligible partnership, which may include an emphasis on recruiting into the teaching profession—

(A) underrepresented populations;

(B) individuals to teach in rural communities and teacher shortage areas, including mathematics, science, special education, and instruction of limited English proficient students; and

(C) mid-career professionals from other occupations, former military personnel, and recent college graduates with proven records of academic distinction.

(6) LITERACY TRAINING.—Developing and implementing a program to strengthen content knowledge and teaching skills of elementary and secondary school literacy coaches that—

(A) provides teacher training in reading instruction for literacy coaches who—

(i) train classroom teachers to implement literacy programs; or

(ii) tutor students with intense individualized reading, writing, and subject matter instruction during or beyond the school day;

(B) develops or redesigns rigorous evidenced-based reading curricula that are aligned with challenging State academic content standards, as required under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965, and with postsecondary standards for reading and writing;

(C) provides opportunities for teachers to plan and assess instruction with other teachers, school leaders, and faculty at institutions of higher education;

(D) provides training and professional development for principals to prepare them to understand the teaching of reading, guide instruction, and foster school improvement; and

(E) establishes an evaluation and accountability plan for activities conducted under this paragraph to measure the impact of such activities.

(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) Modifying staffing procedures to provide greater flexibility for local educational agency and school leaders to establish effective school-level staffing in order to facilitate placement of 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 that participated in the teaching residency program receive—

(i) effective pre-service preparation as described in paragraph (2);

(ii) teacher mentoring;

(iii) induction 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 subsection 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 to earn 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 course work;

(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 novice 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 have full relief 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 observations of such domains of teaching as the following:

(I) Planning and preparation, including demonstrated knowledge of content, pedagogy, and as-

sessment, including the use of formative assessments to improve student learning.

(II) Appropriate instruction that engages students with different learning styles, including students with disabilities.

(III) Collaboration with colleagues to improve instruction.

(IV) Analysis of gains in student learning, based on multiple measures, that, when feasible, may include valid and reliable 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 current or future 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 aligned with the hiring objectives of the local educational agency partnering with the program, as well as the instructional initiatives and curriculum of the agency, in exchange for a commitment by the agency to hire graduates from the teaching residency program.

(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 2 years of teaching.

(viii) Admission goals and priorities 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.

(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 subsection, an individual shall—

(I) be a recent graduate of a 4-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) STIPEND AND SERVICE REQUIREMENT.—

(i) STIPEND.—A teaching residency program under this paragraph shall provide a 1-year living stipend or salary to teaching residents during the 1-year teaching residency program.

(ii) SERVICE REQUIREMENT.—As a condition of receiving a stipend under this subparagraph, a teaching resident shall agree to teach in a high-need school served by the high-need local educational agency in the eligible partnership for a period of 3 or more years after completing the 1-year teaching residency program.

(iii) REPAYMENT.—If a teaching resident who received a stipend under this subparagraph does not complete the service requirement described in clause (ii), such individual shall repay to the high-need local educational agency a pro rata portion of the stipend amount for the amount of teaching time that the individual did not complete.

(f) PARTNERSHIP GRANTS FOR THE DEVELOPMENT OF LEADERSHIP PROGRAMS.—

(1) IN GENERAL.—An eligible partnership receiving a grant to carry out an effective leadership program shall carry out a program that includes all of the following activities:

(A) Preparing students currently enrolled or preparing to enroll in education administration programs in preparation for careers as superintendents, principals, or other school administrators (including students preparing to work in rural school districts who may perform multiple duties in addition to the role of administrator).

(B) Promoting strong administrative skills and, as applicable, techniques for education administrators to improve the school environment and effectively manage schools.

(C) Ensuring that students who participate in the leadership program receive—

(i) effective pre-service preparation as described in subparagraph (D); and

(ii) mentoring by educational administrators.

(D) Developing and improving a sustained and high-quality pre-service clinical education program to further develop the leadership skills of all prospective educational administrators involved in the program. Such program shall do the following:

(i) Incorporate year-long opportunities for enrichment activity or a combination of activities, including—

(I) clinical learning in high-need schools served by the high-need local educational agency in the el-

igible partnership and identified by the eligible partnership; and

(II) closely supervised interaction between faculty and new and experienced teachers, principals, and other administrators in high-need schools served by the high-need local educational agency in the eligible partnership and identified by the eligible partnership.

(ii) Integrate pedagogy and practice and promote effective administrative skills for meeting the unique needs of rural and geographically isolated communities.

(iii) Educational administrator mentoring.

(E) Creating an induction program for new administrators.

(F) Developing and implementing effective mechanisms to ensure that the eligible partnership is able to recruit qualified individuals to become educational administrators through the activities of the eligible partnership, which may include an emphasis on recruiting into the education administration profession—

(i) underrepresented populations;

(ii) individuals to serve as superintendents, principals, or other school administrators in rural and geographically isolated communities and shortage areas designated by the Secretary; or

(iii) mid-career professionals from other occupations, former military personnel, and recent college graduates with proven records of academic distinction.

(2) SELECTION OF INDIVIDUALS FOR THE LEADERSHIP PROGRAM.—In order to be eligible for the leadership program under this subsection, an individual shall—

(A) be enrolled in or preparing to enroll in an institution of higher education, or a recent graduate of an 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;

(B) be current teachers who would like to become principals or principals who would like to be superintendents; and

(C) submit an application to the leadership program.

(g) 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 under this section.

(2) REGULAR COMMUNICATION.—To ensure timely and meaningful consultation, 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 a written

consent signed by all members of the eligible partnership is submitted to the Secretary.

(h) 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.

(i) SUPPLEMENT, NOT SUPPLANT.—Funds made available 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. 203. ADMINISTRATIVE PROVISIONS.

(a) DURATION; NUMBER OF AWARDS; PAYMENTS.—

(1) DURATION.—A grant awarded under this part shall be awarded for a period of 5 years.

(2) NUMBER OF AWARDS.—An eligible partnership may not receive more than 1 grant during a 5-year period. 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 consisting of new members and receiving a grant with such other eligible partnership before the 5-year period described in the preceding sentence applicable to the eligible partnership with which the individual member has first partnered has expired.

(3) PAYMENTS.—The Secretary shall make annual payments of grant funds awarded under this part.

(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.—In recommending applications to the Secretary for funding under this part, the panel shall give priority—

(A) to partnerships that include an institution of higher education whose teacher preparation program has a rigorous selection process to ensure the highest quality of students entering such programs; and

(B)(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 the grant amount, 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 2 percent of the grant funds for purposes of administering 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 performance objectives. The plan shall include objectives and measures for increasing—

(1) student achievement for all students as measured by the eligible partnership;

(2) teacher retention in the first 3 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 highly qualified teachers hired by the high-need local educational agency participating in the eligible partnership;

(B) the percentage of such teachers who are members of underrepresented groups;

(C) the percentage of such teachers who teach high-need academic subject areas (such as reading, mathematics, science, and foreign languages, including less commonly taught languages and critical foreign languages);

(D) the percentage of such teachers 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 such teachers in high-need schools, disaggregated by the elementary, middle, and high 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 number of teachers trained effectively to integrate technology into curricula and instruction and who use technology to collect, manage, and analyze data to improve teaching, learning, and decision making for the purpose of improving student academic achievement.

(b) INFORMATION.—An eligible partnership receiving a grant under this part shall ensure that teachers, principals, school superintendents, and faculty and leadership at institutions of higher education located in the geographic areas served by the eligible partner-

ship are provided information about the activities carried out with funds under this part, including through electronic means.

(c) REVOCATION OF GRANT.—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, as appropriate, of the grant by the end of the third year of a grant under this part, then the Secretary shall require such eligible partnership to submit a revised application that identifies the steps the partnership will take to make substantial progress to meet the purposes, goals, objectives, and measures, as appropriate, of 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.—

(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, both for traditional teacher preparation programs and alternative routes to State certification or licensure programs, the following information:

(A) PASS RATES AND SCALED SCORES.—For the most recent year for which the information is available for those students who took the assessments and are enrolled in the traditional teacher preparation program or alternative routes to State certification or licensure program, and for those who have taken the assessments and have completed the traditional teacher preparation program or alternative routes to State certification or licensure program during the 2-year period preceding such year, for each of the assessments used for teacher certification or licensure by the State in which the program is located—

(i) the percentage of students who have completed 100 percent of the nonclinical course work and taken the assessment who pass such assessment;

(ii) the percentage of all such students who passed each such assessment;

(iii) the percentage of students taking an assessment who enrolled in and completed the teacher preparation program;

(iv) the average scaled score for all students who took each 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.

(B) PROGRAM INFORMATION.—The criteria for admission into the program, the number of students in the program (disaggregated by race, ethnicity, and gender), the average number of hours of supervised clinical experience required for those in the program, the number of full-time equivalent faculty and students in the supervised clinical experience, and the total number of students who have been certified or licensed as teachers, disaggregated by subject and area of certification or licensure.

(C) 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.

(D) DESIGNATION AS LOW-PERFORMING.—Whether the program has been designated as low-performing by the State under section 208(a).

(E) USE OF TECHNOLOGY.—A description of the activities that prepare teachers to effectively integrate technology into curricula and instruction and effectively use technology to collect, manage, and analyze data in order to improve teaching, learning, and decision making for the purpose of increasing student academic achievement.

(F) TEACHER TRAINING.—A description of the activities that prepare general and special education teachers to effectively 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, and to effectively teach students with limited English proficiency.

(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 $25,000 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)(A), with respect to an average pass rate and scaled score on each State certification or licensure assessment taken over a 3-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, annually, in a uniform and

comprehensible manner that conforms with the definitions and methods established by the Secretary, a 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 certification and licensure assessments, and any other certification and licensure requirements, used by the State.

(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 subject areas or in particular grades within the State.

(C) A description of how the assessments and requirements described in subparagraph (A) are aligned with the State's challenging academic content standards required under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 and 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 that offers 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 course work and taken the assessment who pass such assessment;

(ii) the percentage of all such students at all such institutions taking the assessment who pass such assessment; and

(iii) the percentage of students taking an assessment who enrolled in and completed the teacher preparation program.

(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 2-year period preceding the date of the determination, 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 period preceding the date of the determination, 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, the criteria for admission into the program, 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), the average number of hours of supervised clinical experience required for those in the program, and 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) Using the data generated under subparagraphs (G) and (H), a description of the extent to which teacher preparation programs are helping to address shortages of highly qualified teachers, by area of certification or licensure, subject, and specialty, in the State's public schools.

(J) A description of the activities that prepare general and special education teachers to effectively 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.

(K) A description of the activities that prepare teachers to effectively integrate technology into curricula and instruction and effectively use technology to collect, manage, and analyze data to improve teaching, learning, and decision making for the purpose of increasing student academic achievement.

(L) A description of the activities that prepare general education and special education teachers to effectively teach students with limited English proficiency.

(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.

(c) DATA QUALITY.—The Secretary shall prescribe regulations requiring practices and procedures 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 provide to Congress, 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. Such report shall be so provided, published, and made available annually.

(2) REPORT TO CONGRESS.—The Secretary shall prepare and submit a report to Congress 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 1 State for teacher certification or licensure.

(3) SPECIAL RULE.—In the case of a teacher preparation program with fewer than 10 scores reported on any single initial teacher certification or licensure assessment during an academic year, the Secretary shall collect and publish information, and make publicly available, with respect to an average pass rate and scaled score on each State certification or licensure assessment taken over a 3-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.—As a condition of receiving assistance under title IV, 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—

(1) increasing the number of prospective teachers trained in teacher shortage areas designated by the Secretary, including mathematics, science, special education, and instruction of limited English proficient students; and

(2) more closely linking the training provided by the institution with the needs of schools and the instructional decisions new teachers face in the classroom.

(b) ASSURANCE.—As a condition of receiving assistance under title IV, each institution described in subsection (a) shall provide an assurance 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) prospective special education teachers receive course work in core academic subjects and receive training in providing instruction in core academic subjects;

(3) general education teachers receive training in providing instruction to diverse populations, including children with disabilities, limited English proficient students, and children from low-income families; and

(4) prospective teachers receive training on how to effectively teach in urban and rural schools.

(c) PUBLIC REPORTING.—As part of the annual report card required under section 205(a)(1), an institution of higher education

described in subsection (a) shall publicly report whether the goals established under such subsection have been met.

SEC. 207. STATE FUNCTIONS.

(a) STATE ASSESSMENT.—In order to receive funds under this Act, a State shall have in place a procedure to conduct an assessment to identify and assist, through the provision of technical assistance, low-performing programs of teacher preparation. Such State shall provide the Secretary an annual list of such low-performing teacher preparation programs that includes an identification of those programs at risk of being placed on such list. 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 highly qualified teachers in the State, including increasing professional development opportunities;

(2) improving student achievement for all students; and

(3) raising the standards for entry into the teaching profession.

(b) TERMINATION OF ELIGIBILITY.—Any program of teacher preparation 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) shall not be permitted to accept or enroll any student that receives aid under title IV in the institution's teacher preparation program; and

(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.

(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 programs and alternative routes to State certification and licensure programs.

SEC. 208. GENERAL PROVISIONS.

(a) METHODS.—In complying with sections 205 and 207, 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 allow identification of individuals.

(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 are highly qualified, as required under section 1119 of the Elementary and Secondary Education Act of 1965 and in accordance with the State plan submitted or revised under section 1111 of such Act, or that each person employed as a

special education teacher in the State who teaches elementary school, middle school, or secondary school is highly qualified by the deadline, as required under section 612(a)(14)(C) of the Individuals with Disabilities Education Act,—

(1) the Secretary shall, 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, the Secretary shall 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 educational agency 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 educational agency.

(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 educational agency 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.

(d) LIMITATIONS.—

(1) FEDERAL CONTROL PROHIBITED.—Nothing in this part shall be construed to permit, allow, encourage, or authorize any Federal control over any aspect of any private, religious, or home school (whether or not a home school is treated as a private school or home school under State law). This section shall not be construed to prohibit private, religious, or home schools from participation in programs or services under this part.

(2) NO CHANGE IN STATE CONTROL ENCOURAGED OR REQUIRED.—Nothing in this part shall be construed to encourage or require any change in a State's treatment of any private, reli-

gious, or home school (whether or not a home school is treated as a private school or home school under State law).

(3) NATIONAL SYSTEM OF TEACHER CERTIFICATION PROHIBITED.—Nothing in this part shall be construed to permit, allow, encourage, or authorize the Secretary to establish or support any national system of teacher certification.

SEC. 209. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part $300,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 2 succeeding fiscal years.

PART B—PREPARING TEACHERS FOR DIGITAL AGE LEARNERS

SEC. 221. 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) graduate 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 skills to enter the workforce;

(2) strengthen and develop partnerships among the stakeholders in teacher preparation to transform teacher education and ensure technology rich learning environments throughout a teacher candidate's pre-service 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-learning environments that enable kindergarten through grade 12 students to develop skills to enter the workforce.

(b) AMOUNT AND DURATION.—A grant, contract, or cooperative agreement under this part—

(1) shall be for not more than $2,000,000;

(2) shall be for a 3-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 part 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 part, the term "eligible consortium" means a consortium of members that includes the following:

(1) At least one institution of higher education that awards baccalaureate degrees and prepares teachers for initial entry into teaching.

(2) At least 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) At least 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. 222. USES OF FUNDS.

(a) IN GENERAL.—An eligible consortium that receives a grant or enters into a contract or cooperative agreement under this part shall use funds made available under this part 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 pre-service preparation of teacher candidates with high-needs 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 in educational settings with technology;

(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 technology development 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 with respect to technology implementation by members of the consortium;

(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 pre-service 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 pre-service teachers to—

(A) develop and implement a plan for pre-service 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 pre-service teacher populations with programs that connect such pre-service 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 achievement in high-need schools;

(5) provide additional technology resources for pre-service 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. 223. APPLICATION REQUIREMENTS.

To be eligible to receive a grant or enter into a contract or cooperative agreement under this part, 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 pre-service 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 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 part for the project.

(6) A plan for the evaluation of the project, which shall include benchmarks to monitor progress toward specific project objectives.

SEC. 224. EVALUATION.

Not less than 10 percent of the funds awarded to an eligible consortium to carry out a project under this part shall be used to evaluate the effectiveness of such project.

SEC. 225. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated $100,000,000 to carry out this part for fiscal year 2009 and such sums as may be necessary for each of the 2 succeeding fiscal years.

PART C—ENHANCING TEACHER EDUCATION

SEC. 240. 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 4 succeeding fiscal years.

Subpart 1—Recruiting Teachers with Math, Science, or Language Majors

SEC. 241. PROGRAM AUTHORIZED.

(a) GRANTS AUTHORIZED.—From the amounts appropriated under section 240, the Secretary shall make competitive grants to institutions of higher education to improve the availability, recruitment, and retention of teachers from among students majoring in mathematics, science, foreign languages, special education, or teaching the English language to students who are limited English proficient, or to a combination of students majoring in such subjects. In making such grants, the Secretary shall give priority to institutions of higher education with programs that—

(1) focus on preparing and retaining teachers in subjects in which there is a shortage of highly qualified teachers and that prepare students to teach in high-need schools; and

(2) include plans to seek matching funds from other governmental and non-governmental sources.

(b) APPLICATION.—Any institution of higher education desiring to receive a grant under this subpart shall submit to the Secretary an application at such time, in such form, and containing such information and assurances as the Secretary may require, including—

(1) the number of students who graduated from the institution in the preceding year with the qualifications necessary to be teachers with expertise in mathematics, science, a foreign language, special education, or teaching limited English proficient individuals; and

(2) a goal and timeline for increasing the number of such teachers who graduate from the institution.

(c) USE OF FUNDS.—Grant funds made available under this subpart—

(1) shall be used to create and provide new recruitment incentives to encourage students who are planning to pursue other careers to pursue careers in teaching, with an emphasis on recruiting students who are majoring in high-need subjects such as mathematics, science, foreign languages, and special education, and areas relevant to teaching the English language to students who are limited English proficient;

(2) may be used to upgrade curriculum to provide all students studying to become teachers with high-quality instructional strategies for teaching reading and teaching the English language to students who are limited English proficient, and for adopting, modifying, and differentiating instruction to teach students with disabilities;

(3) may be used to integrate department, school, or college of education faculty with other arts and science faculty in mathematics, science, foreign languages, special education, and teaching the English language to students who are limited English proficient through steps such as—

(A) dual appointments for faculty between departments, schools, or colleges of education and departments, schools, or colleges of arts and science; and

(B) integrating course work with clinical experience;

(4) may be used to develop strategic plans between departments, schools, or colleges of education and local school districts to better prepare teachers for high-need schools, including the creation of professional development partnerships for training new teachers in state-of-the-art teaching practices; and

(5) may be used to develop or enhance programs aimed at retaining teachers in high-need subjects such as mathematics, science, foreign languages, special education, and teaching the English language to students who are limited English proficient, and may include providing scholarship assistance to current teachers to upgrade their skills.

Subpart 2—Community Colleges as Partners in Teacher Education Grants

SEC. 251. GRANTS TO COMMUNITY COLLEGES.

(a) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants, on a competitive basis, to eligible entities to assist such entities with—

(1) establishing or enhancing teacher education programs at community colleges that—

(A) include content and pedagogical training; and

(B) are aligned with 4-year college and university teacher education programs to ensure a seemless transition for students from community colleges to 4-year institutions;

(2) establishing or enhancing post baccalaureate certification programs offered at community colleges;

(3) developing and delivering a rigorous program of study for students interested in a career in teaching; and

(4) developing and delivering professional development for teachers to ensure their continued education and professional growth.

(b) AUTHORIZED USES OF FUNDS.—Grant funds provided under this subpart shall be used to carry out the activities described in subsection (a), and may be used to—

(1) develop curriculum for teacher education programs and post baccalaureate certification programs at community colleges;

(2) establish or enhance clinical experiences for students in such teacher education programs and post baccalaureate certification programs;

(3) establish or enhance professional development programs at community colleges that are available for teachers;

(4) develop new associate degree programs focused on teacher preparation;

(5) increase the alignment between community college teacher education programs and 4-year college and university teacher education programs, including articulation agreements, common course numbering, and joint admission programs;

(6) recruit teacher candidates with the goal of diversifying the teacher workforce;

(7) prepare teachers for high-demand subject areas including science, mathematics, technology, special education, critical foreign languages, or the education of limited English proficient individuals;

(8) prepare teachers to teach in high-need schools;

(9) increase coordination between teacher education programs and departments, schools, or colleges of arts and sciences;

(10) encourage teacher education and post baccalaureate programs at times and in formats designed to make these programs more accessible to certain student populations, including mid-career professionals transitioning to teaching; and

(11) carry out other activities that aim to ensure that well-qualified individuals enter into the teaching profession.

(c) ELIGIBLE ENTITY.—For purposes of this subpart, the term "eligible entity" means an individual community college (or district of community colleges), a consortia of community colleges, or a statewide community college system that, for the purposes of carrying out activities under this subpart, has entered into a partnership with—

(1) a four-year institution of higher education with a teacher education program, or a consortia of such institutions; and

(2) at least one of the following:

(A) The State agency that oversees teacher preparation or higher education in the State.

(B) One or more local educational agencies.

(C) The State educational agency.

(D) A professional organization representing teachers.

(d) APPLICATION.—Each eligible entity desiring a grant under this subpart 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) an overview of the goals the eligible entity and its partners plan to pursue upon receipt of a grant under this subpart;

(2) an identification of the institutions, agencies, or organizations that have entered into a partnership with the eligible entity to meet the requirements of subsection (c);

(3) a description of how the eligible entity and its partners will work to ensure a seemless transition for students from community college to 4-year institutions;

(4) an assurance by the eligible entity that students will be provided with intensive support services, which may include mentoring, academic and career support, and support for students who are transitioning, or have transitioned, from the community college to the 4-year institution; and

(5) a description of the rigorous 2-year program of study to be provided by the eligible entity, and a description of how such program establishes a foundation for students to enter into a qualified teacher preparation program at a 4-year institution.

(e) PRIORITY.—In awarding grants under this subpart, the Secretary shall give priority to applications the goals of which are to—

(1) increase the diversification of the teacher workforce by enrolling and retaining students from minority racial and ethnic backgrounds and others underrepresented in the local education workforce;

(2) prepare teachers for high-demand subject areas including science, mathematics, technology, special education, critical foreign languages, or the education of limited English proficient individuals; or

(3) prepare teachers to enter into high-need schools.

SEC. 252. DEFINITIONS.

In this subpart:

(1) COMMUNITY COLLEGE.—The term "community college" has the same meaning given the term "junior or community college" in section 313.

(2) FOUR-YEAR INSTITUTION.—The term "4-year institution" means an institution of higher education (as defined in section 101(a)) that provides a 4-year program of instruction for which the institution awards a bachelor's degree.

(3) QUALIFIED TEACHER PREPARATION PROGRAM.—The term "qualified teacher preparation program" means an undergraduate program for students at an institution of higher education that—

(A) encourages collaboration between faculty in education and faculty in the relevant subject areas including, sciences mathematics, and foreign languages to pursue content coordination for courses taken frequently by students preparing to be teachers;

(B) offers support services, including mentoring, exposure to and field experience in the classroom prior to graduation, or other practices, for students while they are in the program, and after graduation while working as teachers; and

(C) focuses on increasing the number of teachers for high-demand subject areas.

Subpart 3—Honorable Augustus F. Hawkins Centers of Excellence

SEC. 261. 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 under section 252, 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(b));

(vii) an Asian American and Pacific Islander-serving institution (as defined in section 319(b)); or

(viii) a Native American-serving non-tribal institution (as defined in section 320(b));

(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 262 is located at an institution described in subparagraph (A).

(2) SCIENTIFICALLY BASED READING RESEARCH.—The term "scientifically based reading research" has the meaning given such term in section 1208 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6368).

SEC. 262. 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 are highly qualified, 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 are highly qualified, are able to understand scientifically valid research, and are able to use advanced technology effectively in the classroom, including use for 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 close student achievement gaps, and are based on rigorous academic content, scientifically valid research (including scientifically based reading research), and challenging State student academic content standards; and

(ii) promote strong teaching skills, as defined in section 200(b).

(2) Providing sustained and high-quality pre-service 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 highly qualified teachers and principals, including minority teachers and principals, including programs that provide—

(A) teacher or principal mentoring from exemplary teachers or principals; or

(B) induction and support for teachers and principals during their first 3 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.

(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 not use more than 2 percent of the grant funds for purposes of administering the grant.

(f) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out this subpart.

Subpart 4—Teach for America

SEC. 271. TEACH FOR AMERICA.

(a) DEFINITIONS.—

(1) GRANTEE.—The term "grantee" means Teach For America, Inc.

(2) HIGH NEED.—Notwithstanding section 200(b), the term "high need", when used with respect to a local educational agency, means a local educational agency experiencing a shortage of highly qualified teachers.

(b) GRANTS AUTHORIZED.—The Secretary is authorized to award a grant to Teach For America, Inc., the national teacher corps of outstanding recent college graduates who commit to teach for 2 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 subpart to—

(1) provide highly qualified teachers 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 subpart 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 pre-service training to such teachers through a rigorous summer institute that includes hands-on teaching experience and significant exposure to education course work 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 2 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 subpart to support activities related directly to the recruitment, selection, training, and support of teachers as described in paragraph (1).

(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 subpart;

(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 section 240, the Secretary shall provide for a study that examines the achievement levels of the students taught by the teachers assisted under this subpart.

(B) 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 subpart with the achievement gains made by students taught by teachers who are not assisted under this subpart.

(3) REQUIREMENTS.—The Secretary shall provide for such a study not less than once every 3 years, and each such study

shall include multiple placement sites and multiple schools within placement sites.

(4) PEER REVIEW STANDARDS.—Each such study shall meet the peer review standards of the education research community.

Subpart 5—Early Childhood Education Professional Development and Career Task Force

SEC. 281. PURPOSE.

It is the purpose of this subpart—

(1) to improve the quality of the early childhood education workforce by creating a statewide early childhood education professional development and career task force for early childhood education program staff, directors, and administrators; and

(2) to create—

(A) a coherent system of core competencies, pathways to qualifications, credentials, degrees, quality assurances, access, and outreach, for early childhood education program staff, directors, and administrators, that is linked to compensation commensurate with experience and qualifications;

(B) articulation agreements that enable early childhood education professionals to transition easily among degrees; and

(C) compensation initiatives for individuals working in an early childhood education program that reflect the individuals' credentials, degrees, and experience.

SEC. 282. DEFINITION OF EARLY CHILDHOOD EDUCATION PROGRAM.

In this subpart, the term "early childhood education program" means—

(1) a family child care program, center-based child care program, State prekindergarten program, or school-based program, that—

(A) provides early childhood education;

(B) uses developmentally appropriate practices;

(C) is licensed or regulated by the State; and

(D) serves children from birth through age 5;

(2) a Head Start Program carried out under the Head Start Act;

(3) an Early Head Start Program carried out under section 645A of the Head Start Act; or

(4) a program authorized under section 619 or part C of the Individuals with Disabilities Education Act.

SEC. 283. GRANTS AUTHORIZED.

(a) IN GENERAL.—The Secretary is authorized to award grants to States in accordance with the provisions of this subpart to enable such States—

(1) to establish a State Task Force described in section 284; and

(2) to support activities of the State Task Force described in section 285.

(b) COMPETITIVE BASIS.—Grants under this subpart shall be awarded on a competitive basis.

(c) EQUITABLE GEOGRAPHIC DISTRIBUTION.—In awarding grants under this subpart, the Secretary shall take into consideration providing an equitable geographic distribution of such grants.

(d) DURATION.—Grants under this subpart shall be awarded for a period of 3 years.

SEC. 284. STATE TASK FORCE ESTABLISHMENT.

(a) STATE TASK FORCE ESTABLISHED.—The Governor of a State receiving a grant under this subpart shall establish, or designate an existing entity to serve as, the State Early Childhood Education Professional Development and Career Task Force (hereafter in this subpart referred to as the "State Task Force").

(b) MEMBERSHIP.—The State Task Force shall include a representative of a State educational agency, an institution of higher education (including an associate or a baccalaureate degree granting institution of higher education), an early childhood education program, a nonprofit early childhood organization, a statewide early childhood workforce scholarship or supplemental initiative, and any other entity or individual the Governor determines appropriate.

SEC. 285. STATE TASK FORCE ACTIVITIES.

(a) ACTIVITIES.—The State Task Force shall—

(1) coordinate and communicate regularly with existing State Advisory Councils on Early Care and Education or a similar State entity charged with creating a comprehensive system of early care and education in the State (hereafter in this subpart referred to as "State Advisory Councils") for the purposes of—

(A) integrating recommendations for early childhood professional development and career activities into the plans of the State Advisory Council; and

(B) assisting in the implementation of professional development and career activities that are consistent with the plans described in subparagraph (A);

(2) conduct a review of opportunities for and barriers to high quality professional development, training, and higher education degree programs in early childhood development and learning, including a periodic statewide survey concerning the demographics of individuals working in early childhood education programs in the State, which survey shall include information disaggregated by—

(A) race, gender, and ethnicity;

(B) compensation levels;

(C) type of early childhood education program setting;

(D) specialized knowledge of child development;

(E) years of experience in an early childhood education program;

(F) attainment of—

(i) academic credit for course work;

(ii) an academic degree;

(iii) a credential;

(iv) licensure; or

(v) certification in early childhood education; and

(G) specialized knowledge in the education of children with limited English proficiency; and

(3) develop a plan for a comprehensive statewide professional development and career system for individuals working in early childhood education programs or for early childhood education providers, which plan shall include—

(A) methods of providing outreach to early childhood education program staff, directors, and administrators to enable such individuals and providers to be aware of opportunities and resources under the statewide plan, which may include outreach to underrepresented populations in the profession;

(B) developing a unified data collection and dissemination system for early childhood education training, professional development, and higher education programs;

(C) increasing the participation of early childhood educators in high quality training and professional development by assisting in paying the costs of enrollment in and completion of such training and professional development courses;

(D) increasing the participation of early childhood educators in postsecondary education programs leading to degrees in early childhood education by providing assistance to pay the costs of enrollment in and completion of such postsecondary education programs, which assistance—

(i) shall only be provided to an individual who—

(I) enters into an agreement under which the individual agrees to work, for a reasonable number of years after receiving such a degree, in an early childhood education program that is located in a low-income area; and

(II) has a family income equal to or less than the annually adjusted national median family income as determined by the Bureau of the Census; and

(ii) shall be provided in an amount that does not exceed $17,500;

(E) supporting professional development activities and a career lattice for a variety of early childhood professional roles with varying professional qualifications and responsibilities for early childhood education personnel, including strategies to enhance the compensation of such personnel;

(F) supporting articulation agreements between 2- and 4-year public and private institutions of higher education and mechanisms to transform other training, professional development, and experience into academic credit;

(G) developing mentoring and coaching programs to support new educators in and directors of early childhood education programs;

(H) providing career development advising with respect to the field of early childhood education, including informing an individual regarding—

(i) entry into and continuing education requirements for professional roles in the field;

(ii) available financial assistance; and

(iii) professional development and career advancement in the field;

(I) enhancing the quality of faculty and course work in postsecondary programs that lead to an associate, baccalaureate, or graduate degree in early childhood education;

(J) consideration of the availability of on-line graduate level professional development offered by institutions of higher education with experience and demonstrated expertise in establishing programs in child development, in order to improve the skills and expertise of individuals working in early childhood education programs; and

(K) developing or enhancing a system of quality assurance with respect to the early childhood education professional development and career system, including standards or qualifications for individuals and entities who offer training and professional development in early childhood education.

(b) PUBLIC HEARINGS.—The State Task Force shall hold public hearings and provide an opportunity for public comment on the activities described in the statewide plan described in subsection (a)(3).

(c) PERIODIC REVIEW.—The State Task Force shall meet periodically to review implementation of the statewide plan and to recommend any changes to the statewide plan the State Task Force determines necessary.

SEC. 286. STATE APPLICATION AND REPORT.

(a) IN GENERAL.—Each State 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 reasonably require. Each such application shall include a description of—

(1) the membership of the State Task Force;

(2) the activities for which the grant assistance will be used;

(3) other Federal, State, local, and private resources that will be available to support the activities of the State Task Force described in section 285;

(4) the availability within the State of training, educator preparation, professional development, compensation initiatives, and career systems, related to early childhood education; and

(5) the resources available within the State for such training, educator preparation, professional development, compensation initiatives, and career systems.

(b) REPORT TO THE SECRETARY.—Not later than 2 years after receiving a grant under this subpart, a State shall submit a report to the Secretary that shall describe—

(1) other Federal, State, local, and private resources that will be used in combination with a grant under this subpart to develop or expand the State's early childhood education professional development and career activities;

(2) the ways in which the State Advisory Council will coordinate the various State and local activities that support the early childhood education professional development and career system; and

(3) the ways in which the State Task Force will use funds provided under this subpart to carry out the activities described in section 285.

SEC. 287. EVALUATIONS.

(a) STATE EVALUATION.—Each State receiving a grant under this subpart shall—

(1) evaluate the activities that are assisted under this subpart in order to determine—

(A) the effectiveness of the activities in achieving State goals;

(B) the impact of a career lattice for individuals working in early childhood education programs;

(C) the impact of the activities on licensing or regulating requirements for individuals in the field of early childhood development;

(D) the impact of the activities, and the impact of the statewide plan described in section 286(a)(3), on the quality of education, professional development, and training related to early childhood education programs that are offered in the State;

(E) the change in compensation and retention of individuals working in early childhood education programs within the State resulting from the activities; and

(F) the impact of the activities on the demographic characteristics of individuals working in early childhood education programs; and

(2) submit a report at the end of the grant period to the Secretary regarding the evaluation described in paragraph (1).

(b) SECRETARY'S EVALUATION.—Not later than September 30, 2013, the Secretary, in consultation with the Secretary of Health and Human Services, shall prepare and submit to the authorizing committees an evaluation of the State reports submitted under subsection (a)(2).

TITLE III—INSTITUTIONAL AID

* * * * * * *

Part A—Strengthening Institutions

SEC. 311. PROGRAM PURPOSE.

(a) * * *

(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 [351] *391* in order to assist such an institution to plan, develop, or implement activities that promise to strengthen the institution.

* * * * * * *

(3) Special consideration shall be given to applications which propose, pursuant to the institution's plan, to engage in—

(A) * * *

* * * * * * *

(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) * * *

* * * * * * *

(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*.

(7) Education or counseling services designed to improve the financial literacy and economic literacy of students or the students' parents.

[(7)**]** *(8)* Funds management, administrative management, and acquisition of equipment for use in strengthening funds management.

[(8)**]** *(9)* Joint use of facilities, such as laboratories and libraries.

[(9)**]** *(10)* Establishing or improving a development office to strengthen or improve contributions from alumni and the private sector.

[(10)**]** *(11)* Establishing or improving an endowment fund.

[(11)**]** *(12)* Creating or improving facilities for Internet or other **[**distance learning academic instruction capabilities**]** *distance education technologies*, including purchase or rental of telecommunications technology equipment or services.

[(12)**]** *(13)* Other activities proposed in the application submitted pursuant to **[**subsection (c)**]** *subsection (b) and section 391* that—

(A) * * *

* * * * * * *

SEC. 316. AMERICAN INDIAN TRIBALLY CONTROLLED COLLEGES AND UNIVERSITIES.

(a) * * *

(b) DEFINITIONS.—In this section:

(1) * * *

* * * * * * *

[(3) TRIBAL COLLEGE OR UNIVERSITY.—The term "Tribal College or University" has the meaning give the term "tribally controlled college or university" in section 2 of the Tribally Controlled College or University Assistance Act of 1978, and includes an institution listed in the Equity in Educational Land Grant Status Act of 1994.**]**

(3) TRIBAL COLLEGE OR UNIVERSITY.—The term "Tribal College or University" means an institution that—

(A) qualifies for funding under the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.) or the Navajo Community College Assistance 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).

* * * * * * *

(c) AUTHORIZED ACTIVITIES.—

(1) * * *

(2) EXAMPLES OF AUTHORIZED ACTIVITIES.—The activities described in paragraph (1) may include—

(A) * * *

[(B) construction, maintenance, renovation, and improvement in classrooms, libraries, laboratories, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services;]

(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 degrees in the faculty's field of instruction*, or advanced degrees in tribal governance or tribal public policy*;

(D) academic instruction in disciplines in which Indians are underrepresented*, and in tribal governance or tribal public policy*;

* * * * * * *

(K) 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; [and]

(L) developing or improving facilities for Internet use or other distance learning academic instruction capabilities; and

[(L)] *(M)* other activities proposed in the application submitted pursuant to subsection (d) that—

(i) * * *

* * * * * * *

[(d) APPLICATION PROCESS.—

[(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) APPLICATION.—Any Tribal College or University desiring to receive assistance under this section shall submit an application to the Secretary at such time, and in such manner, as the Secretary may by regulation reasonably require. 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. Each such application shall include—

[(A) a 5-year plan for improving the assistance provided by the Tribal College or University to Indian students, increasing the rates at which Indian secondary school students enroll in higher education, and increasing overall postsecondary retention rates for Indian students; and

[(B) such enrollment data and other information and assurances as the Secretary may require to demonstrate compliance with paragraph (1).

[(3) SPECIAL RULES.—

[(A) ELIGIBILITY.—No Tribal College or University that receives funds under this section shall concurrently receive funds under other provisions of this part or part B.

[(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.]

(d) APPLICATION AND ALLOTMENT.—

(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) APPLICATION.—Any Tribal College or University desiring to receive assistance under this section shall submit an application to the Secretary at such time, and in such manner, as the Secretary may reasonably require.

(3) MINIMUM GRANT.—Notwithstanding section 399(c), the amount allotted to each institution under this section shall not be less than $500,000.

(4) SPECIAL RULES.—

(A) CONCURRENT FUNDING.—For the purposes of this part, no Tribal College or University that is eligible for and receives funds under this section shall concurrently receive funds under other provisions of this part or part B.

(B) EXEMPTION.—Section 313(d) shall not apply to institutions that are eligible to receive funds under this section.

(e) ALLOTMENT OF REMAINING FUNDS.—The Secretary shall distribute any funds appropriated to carry out this section for any fiscal year that remain available after the Secretary has awarded grants under subsection (e), to each eligible institution as follows:

(1) 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 College or University Assistance Act of 1978 (25 U.S.C. 1801(a)) of the Tribal Colleges and Universities; and

(2) the remaining 40 percent shall be distributed in equal shares to the eligible Tribal Colleges and Universities.

* * * * * * *

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.—For purposes of this section:

(1) PREDOMINANTLY BLACK INSTITUTION.—The term "Predominantly Black Institution" means an institution of higher education—

(A) that is an eligible institution (as defined in paragraph (5)(A) of this subsection) with a minimum of 1,000 undergraduate students;

(B) at which at least 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(g)); and

(C) at which at least 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 it is located.

(2) LOW-INCOME INDIVIDUAL.—The term "low-income individual" has the meaning given such term in section 402A(g).

(3) 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, or both, are determined on the basis of income or resources of the individual or family seeking the benefit.

(4) STATE.—The term "State" means each of the 50 States and the District of Columbia.

(5) OTHER DEFINITIONS.—For purposes of this section, the terms defined by section 312 have the meanings provided by that section, except as follows:

(A) ELIGIBLE INSTITUTION.—

(i) The term "eligible institution" means an institution of higher education that—

(I) has an enrollment of needy undergraduate students as required and defined by subparagraph (B);

(II) except as provided in section 392(b), the average educational and general expenditure of which are 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;

(III) has an enrollment of undergraduate students that is at least 40 percent Black American students;

(IV) is legally authorized to provide, and provides within the State, an educational program for which the institution awards a bachelors degree, or in the case of a junior or community college, an associate's degree;

(V) 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

(VI) is not receiving assistance under part B of this title.

(ii) In awarding grants under this section the Secretary shall give priority to Predominantly Black Institutions with large numbers or percentages of students described in clause (i)(II) or clause (i)(III). The level of priority given to Predominantly Black Institutions with large numbers or percentages of students described in paragraph (1)(B) shall be twice the level of priority

given to Predominantly Black Institutions with large numbers or percentages of students described in paragraph (1)(C).

(B) ENROLLMENT OF NEEDY STUDENTS.—The term "enrollment of needy students" means the enrollment at an eligible institution with respect to which at least 50 percent of the undergraduate students enrolled in an academic program leading to a degree—

(i) in the second fiscal year preceding the fiscal year for which the determination is made, were Pell Grant recipients in such year;

(ii) come from families that receive benefits under a means-tested Federal benefits program (as defined in paragraph (3));

(iii) attended a secondary school that was a high-need school during any year of such attendance; or

(iv) are "first-generation college students" as that term is defined in section 402A(g), and a majority of such first-generation college students are low-income individuals.

(c) AUTHORIZED ACTIVITIES.—

(1) TYPES OF ACTIVITIES AUTHORIZED.—Grants awarded pursuant to subsection (d) shall be used by Predominantly Black Institutions—

(A) to assist the 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 title IV eligible students by encouraging college preparation and student persistence in secondary and postsecondary education; and

(C) to strengthen the institution's financial ability to serve the academic needs of the students described in subparagraphs (A) and (B).

(2) AUTHORIZED ACTIVITIES.—Grants made to an institution under subsection (d) shall be used for one or more of the following activities:

(A) The activities described in section 311(c)(1) through (11).

(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 or secondary school in the State that shall include, as part of such program, preparation for teacher certification.

(D) Establishing community outreach programs which will encourage elementary and secondary students to develop the academic skills and the interest to pursue postsecondary education.

(E) Other activities proposed in the application submitted pursuant to subsection (e) that—

(i) contribute to carrying out the purposes of this section; and

(ii) are approved by the Secretary as part of the review and acceptance of such application.

(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), the Predominantly Black Institution shall provide matching funds from non-Federal sources, in an amount equal to or greater than 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).

(4) LIMITATION.—Not more than 50 percent of the allotment of any Predominantly Black Institution may be available for the purpose of constructing or maintaining a classroom, library, laboratory, or other instructional facility.

(d) ALLOTMENTS TO PREDOMINANTLY BLACK INSTITUTIONS.—

(1) ALLOTMENT: PELL GRANT BASIS.—From the amount 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 (e) 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 academic year preceding the beginning of that fiscal year bears to the total number of Pell Grant recipients at all institutions eligible under this section.

(2) ALLOTMENT: GRADUATES BASIS.—From the amount 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 (e) a sum which bears the same ratio to one-fourth that amount as the number of graduates for such year at such institution bears to the total number of graduates for such year at all intuitions eligible under this section.

(3) ALLOTMENT: GRADUATES SEEKING A HIGHER DEGREE BASIS.—From the amount 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 (e) a sum which bears the same ratio to one-fourth of that amount as the percentage of graduates per institution who, within 2 years of graduation with an associates degree or a baccalaureate degree, are admitted to and in attendance at, either 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 per institution for all eligible institutions.

(4) MINIMUM ALLOTMENT.—(A) Notwithstanding paragraphs (1), (2), and (3) of this subsection and section 399(c), the

amount allotted to each Predominantly Black Institution under this section shall not be less than $250,000.

(B) If the amount appropriated pursuant to section 399 for any fiscal year is not sufficient to pay the minimum allotment, the amount of such minimum allotment shall be ratably reduced. If additional sums become available for such fiscal year, such reduced allocation shall be increased on the same basis as it was reduced until the amount allotted equals the minimum allotment required by subparagraph (A).

(5) REALLOTMENT.—The amount of a Predominantly Black Institution's allotment under paragraph (1), (2), (3), or (4) 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 to other Predominantly Black Institutions in proportion to the original allotment 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 deems appropriate.

(e) APPLICATIONS.—No Predominantly Black Institution shall be entitled to its allotment of Federal funds for any grant under subsection (d) for any period unless the institution 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.

(f) APPLICATION REVIEW PROCESS.—Section 393 shall not apply to applications under this section.

(g) PROHIBITION.—No Predominantly Black Institution that applies for and receives a grant under this section may apply for or receive funds under any other program under this part or part B of this title.

(h) DURATION AND CARRYOVER.—Any funds paid to a Predominantly Black Institution under this section and not expended or used for the purposes for which the funds were paid within 10 years following the date of the grant awarded to such institution under this section shall be repaid to the Treasury of the United States.

SEC. 319. 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.

(b) DEFINITIONS.—For the purpose of this section—

(1) 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) 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;

(3) 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; and

(4) 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.

(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.

(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 under-represented;

(L) conducting research and data collection for Asian American and Native American Pacific Islander populations and sub-populations; and

(M) establishing partnerships with community based organizations serving Asian Americans and Native American Pacific Islanders.

(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 Sec-

retary 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 by regulation require.

(2) APPLICATIONS.—Any institution which 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 5-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

(B) such other information and assurance as the Secretary may 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 other provisions of this part or part B.

(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 that serve a significant percentage of Asian American and Native American Pacific Islander students who are low-income individuals.

SEC. 320. NATIVE AMERICAN-SERVING, NONTRIBAL INSTITUTIONS.

(a) PROGRAM AUTHORIZED.—The Secretary shall provide grants and related assistance to Native American-serving, nontribal institutions to enable such institutions to improve and expand their capacity to serve Native Americans.

(b) DEFINITIONS.—In this section:

(1) NATIVE AMERICAN.—The term "Native American" means an individual who is of a tribe, people, or culture that is indigenous to the United States.

(2) NATIVE AMERICAN-SERVING, NONTRIBAL INSTITUTION.—The term "Native American-serving, nontribal institution" means an institution of higher education that, at the time of application—

(A) has an enrollment of undergraduate students that is not less than 10 percent Native American students; and

(B) is not a Tribal College or University (as defined in section 316).

(c) AUTHORIZED ACTIVITIES.—

(1) TYPES OF ACTIVITIES AUTHORIZED.—Grants awarded under this section shall be used by Native American-serving, nontribal institutions to assist such institutions to plan, de-

velop, undertake, and carry out activities to improve and expand such institutions' capacity to serve Native Americans.

(2) EXAMPLES OF AUTHORIZED ACTIVITIES.—Such programs may include—

(A) the 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 faculty in attaining advanced degrees in the faculty's field of instruction;

(D) curriculum development and academic instruction;

(E) the 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) the joint use of facilities such as laboratories and libraries; and

(H) academic tutoring and counseling programs and student support services.

(d) APPLICATION PROCESS.—

(1) INSTITUTIONAL ELIGIBILITY.—A Native American-serving, nontribal 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 a Native American-serving, nontribal institution, along with such other information and data as the Secretary may by regulation require.

(2) APPLICATIONS.—

(A) PERMISSION TO SUBMIT APPLICATIONS.—Any institution that is determined by the Secretary to be a Native American-serving, nontribal institution may submit an application for assistance under this section to the Secretary.

(B) SIMPLIFIED AND STREAMLINED FORMAT.—The Secretary shall, to the extent possible, prescribe a simplified and streamlined format for applications under this section that takes into account the limited number of institutions that are eligible for assistance under this section.

(C) CONTENT.—An application submitted under subparagraph (A) shall include—

(i) a 5-year plan for improving the assistance provided by the Native American-serving, nontribal institution to Native Americans; and

(ii) such other information and assurances as the Secretary may require.

(3) SPECIAL RULES.—

(A) ELIGIBILITY.—No Native American-serving, nontribal institution that receives funds under this section shall concurrently receive funds under other provisions of this part or part B.

(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.

PART B—STRENGTHENING HISTORICALLY BLACK COLLEGES AND UNIVERSITIES

* * * * * * *

SEC. 322. DEFINITIONS.

For the purpose of this part:

(1) * * *

* * * * * * *

(4) The term "professional and academic areas in which Blacks are underrepresented" shall be determined by the Secretary*, in consultation with the Commissioner of the National Center for Education Statistics,* and the Commissioner of the Bureau of Labor Statistics, on the basis of the most recent available satisfactory data, as professional and academic areas in which the percentage of Black Americans who have been educated, trained, and employed is less than the percentage of Blacks in the general population.

* * * * * * *

SEC. 323. GRANTS TO INSTITUTIONS.

(a) GENERAL AUTHORIZATION; USES OF FUNDS.—From amounts available under section 360(a)(2) in 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) * * *

* * * * * * *

(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' parents, especially with regard to student indebtedness and student assistance programs under the title IV.

(14) Technical assistance or 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.

[(12)**]** *(15)* Other activities proposed in the application submitted pursuant to section 325 that—

(A) * * *

* * * * * * *

SEC. 324. ALLOTMENTS TO INSTITUTIONS.

(a) * * *

* * * * * * *

[(d) MINIMUM ALLOTMENT.—(1) Notwithstanding subsections (a), (b), and (c), the amount allotted to each part B institution under this section shall not be less than $500,000.

[(2) If the amount appropriated pursuant to section 360(a)(2)(A) for any fiscal year is not sufficient to pay the minimum allotment required by paragraph (1) of this subsection 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 allocation shall be increased on the same basis as they were reduced (until the amount allotted equals the minimum allotment required by paragraph (1)).]

(d) MINIMUM ALLOTMENT.—(1) If an otherwise eligible part B institution did not enroll any Pell Grant recipients, or did not graduate any students in the previous academic year, or where appropriate, send any such graduates on to graduate or first-professional degree study, the institution shall not receive a grant under this part.

(2) If the data provided by an eligible institution, pursuant to this section, is insufficient to justify an award in excess of $500,000, the otherwise eligible institution shall receive an allotment of $500,000, except that the Secretary shall not make an award of $500,000 if the amount determined based upon the formulas using subsection (b), (c), and (d) would be less than $250,000. If the amount determined by the formula would be less than $250,000, the Secretary shall award the minimum allotment of $250,000.

* * * * * * *

(h) CONDITIONS FOR ALLOTMENTS.—No institution shall receive an allotment under this section unless the institution provides data, required by the Secretary consistent with the formula in subsections (a) through (c), including the number of Pell Grant recipients enrolled in the previous award year; the number of students who earned an associate or baccalaureate degree in the previous academic year; and, when appropriate, the percentage of graduates who, within the past five years, enrolled in a graduate or first-professional degree program. No institution shall receive an allotment, including the minimum allotment under subsection (d), unless the institution provides the data required of that institution by the Secretary.

* * * * * * *

SEC. 326. PROFESSIONAL OR GRADUATE INSTITUTIONS.

(a) * * *

(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) * * *

* * * * * * *

(6) assist in the establishment or maintenance of an institutional endowment to facilitate financial independence pursuant to section 331; [and]

(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 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' parents, especially with regard to student indebtedness and student assistance programs under the title IV; and

(10) technical assistance or 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.

* * * * * * *

(e) ELIGIBILITY.—

(1) IN GENERAL.—Independent professional or graduate institutions and programs eligible for grants under subsection (a) are the following

(A) * * *

* * * * * * *

(Q) Norfolk State University qualified graduate programs; [and]

(R) Tennessee State University qualified graduate programs[.]*;*

(S) Alabama State University qualified graduate programs;

(T) Bowie State University qualified graduate programs;

(U) Delaware State University qualified graduate programs;

(V) Langston University qualified graduate programs;

(W) Prairie View A&M University qualified graduate programs; and

(X) University of the District of Columbia David A. Clarke School of Law.

* * * * * * *

(3) SPECIAL RULE.—Institutions that were awarded grants under this section prior to October 1, [1998] *2008*, shall continue to receive such grants, subject to the availability of appropriated funds, regardless of the eligibility of the institutions described in subparagraphs [(Q) and (R)] *(S) through (X)* of paragraph (1).

* * * * * * *

(f) FUNDING RULE.—Subject to subsection (g), of the amount appropriated to carry out this section for any fiscal year—

(1) the first [$26,600,000] *$54,500,000* (or any lesser amount appropriated) shall be available only for the purposes of making grants to institutions or programs described in subparagraphs (A) through [(P)] *(R)* of subsection (e)(1);

(2) any amount in excess of [$26,600,000, but not in excess of $28,600,000] *$54,500,000, but not in excess of $60,500,000*, shall be available for the purpose of making grants to institu-

tions or programs described in [subparagraphs (Q) and (R)] *subparagraphs (S) through (X)* of subsection (e)(1); and

(3) any amount in excess of [$28,600,000] *$60,500,000*, shall be made available to each of the institutions or programs identified in subparagraphs (A) through [(R)] *(X)* pursuant to a formula developed by the Secretary that uses the following elements:

(A) * * *

* * * * * * *

SEC. 327. REPORTING AND AUDIT REQUIREMENTS.

(a) * * *

[(b) REPAYMENT OF UNEXPENDED FUNDS.—Any funds paid to an institution and not expended or used for the purposes for which the funds were paid within 10 years following the date of the initial grant awarded to an institution under part B of this title shall be repaid to the Treasury of the United States.]

(b) 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 five-year period following the date of the initial grant award, may be carried over and expended during the succeeding five-year period, if such funds were obligated for a purpose for which the funds were paid during the five-year period following the date of the initial grant award.

PART C—ENDOWMENT CHALLENGE GRANTS FOR INSTITUTIONS ELIGIBLE FOR ASSISTANCE UNDER PART A OR PART B

SEC. 331. ENDOWMENT CHALLENGE GRANTS.

(a) * * *

(b) GRANTS AUTHORIZED.—(1) * * *

(2)(A) * * *

(B) The Secretary may make a grant under this part to an eligible institution in any fiscal year if the institution—

(i) applies for a grant in an amount not exceeding [$500,000] *$1,000,000*; and

* * * * * * *

(5) An endowment challenge grant awarded under this section to an eligible institution shall be in an amount which is not less than [$50,000] *$100,000* in any fiscal year.

* * * * * * *

(l) TECHNICAL ASSISTANCE.—The Secretary, directly or by grant or contract, may provide technical assistance to eligible institutions to prepare the institutions to qualify, apply for, and maintain a grant, under this section.

PART D—HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING

* * * * * * *

SEC. 342. DEFINITIONS.

For the purposes of this part:

(1) * * *

* * * * * * *

(5) The term "capital project" means, subject to section 344(b) the repair, renovation, or, in exceptional circumstances, the construction or acquisition, of—

(A) * * *

* * * * * * *

(C) instructional equipment technology**[**,,**]**, research instrumentation, and any capital equipment or fixture related to facilities described in subparagraph (A);

* * * * * * *

SEC. 343. FEDERAL INSURANCE FOR BONDS.

(a) * * *

* * * * * * *

(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 **[**$375,000,000**]** *$1,100,000,000*, of which—

(1) not more than **[**$250,000,000**]** *$733,333,333* shall be used for loans to eligible institutions that are private historically Black colleges and universities; and

(2) not more than **[**$125,000,000**]** *$366,666,666* 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.

* * * * * * *

PART E—MINORITY SCIENCE AND ENGINEERING IMPROVEMENT PROGRAM

* * * * * * *

Subpart 2—Programs in STEM fields

SEC. 355. YES PARTNERSHIPS GRANT PROGRAM.

(a) GRANT PROGRAM AUTHORIZED.—Subject to the availability of appropriations to carry out this subpart, the Secretary shall make grants to eligible partnerships (as described in subsection (f)) to support underrepresented minority youth engagement in science, technology, engineering, and mathematics through outreach and hands-on, experiential-based learning projects that encourage underrep-

resented minority students in kindergarten through grade 12 to pursue careers in science, technology, engineering, and mathematics.

(b) MINIMUM GRANT AMOUNT.—A grant awarded to a partnership under this subpart shall be for an amount that is not less than $500,000.

(c) DURATION.—A grant awarded under this subpart shall be for a period of 5 years.

(d) NON-FEDERAL MATCHING SHARE REQUIRED.—A partnership receiving a grant under this subpart shall provide, from non-Federal sources, in cash or in kind, an amount equal to 50 percent of the costs of the project supported by such grant.

(e) DISTRIBUTION OF GRANTS.—In awarding grants under this subpart, the Secretary shall ensure that, to the maximum extent practicable, the projects funded under this subpart are located in diverse geographic regions of the United States.

(f) ELIGIBLE PARTNERSHIPS.—Notwithstanding the general eligibility provision in section 361, eligibility to receive grants under this subpart is limited to partnerships described in paragraph (5) of such section.

SEC. 356. PROMOTION OF ENTRY INTO STEM FIELDS.

(a) AUTHORITY TO CONTRACT, SUBJECT TO APPROPRIATIONS.—The Secretary of Education is authorized to enter into a contract with a firm with a demonstrated record of success in advertising to implement a campaign to expand the population of qualified individuals in science, technology, engineering, and math (STEM) fields by encouraging young Americans to enter the those fields.

(b) DESIGN OF CAMPAIGN.—Such a campaign shall be designed to enhance the image of education and professions in the STEM fields and promote participation in the STEM fields and shall include—

(1) monitoring trends in youth attitudes toward pursuing education and professions in the STEM fields and their propensity toward entering the STEM fields;

(2) determining what factors contribute to encouraging and discouraging Americans from pursuing study in STEM fields and entering the STEM fields professionally;

(3) determining what specific factors limit the participation of groups currently underrepresented in STEM fields, including Latinos, African-Americans, and women; and

(4) drawing from the market research performed under this section and implementing an advertising campaign to encourage young Americans to take up studies in STEM fields, beginning at an early age.

(c) REQUIRED COMPONENTS.—Such a campaign shall include components that focus tailored messages on appropriate age groups, starting with elementary school students. Such a campaign shall link participation in the STEM fields to the concept of service to one's country, so that young people will be encouraged to enter the STEM fields in order fulfill the obligation to be of service to their country.

(d) PRIORITY.—Such a campaign shall hold as a high priority making specific appeals to Latinos, African-Americans, and women, who are currently under-represented in the STEM fields, in order to increase their numbers in the STEM fields, and shall tailor recruitment efforts to each specific group.

(e) USE OF VARIETY OF MEDIA.—Such a campaign shall make use of a variety of media, with an emphasis on television advertising, to reach its intended audience.

(f) TEACHING.—Such a campaign shall include a narrowly focused effort to attract current professionals in the STEM fields, through advertising in mediums likely to reach that specific group, into teaching in a STEM field in elementary and secondary school.

SEC. 357. EVALUATION AND ACCOUNTABILITY PLAN.

The Secretary shall develop an evaluation and accountability plan for projects funded under this subpart to objectively measure the impact of such projects, including a measure of whether underrepresented minority student enrollment in courses related to science, technology, engineering, and mathematics increases at the secondary and postsecondary levels.

SUBPART [2] *3*—ADMINISTRATIVE AND GENERAL PROVISIONS

SEC. 361. ELIGIBILITY FOR GRANTS.

Eligibility to receive grants under this part is limited to—

(1) * * *

* * * * * * *

(3) nonprofit science-oriented organizations, professional scientific societies, and institutions of higher education that award baccalaureate degrees, that—

(A) * * *

* * * * * * *

(B) provide in-service training for project directors, scientists, and engineers from minority institutions; [or]

(4) consortia of organizations, *to include public institutions of higher education* that provide needed services to one or more minority institutions, the membership of which may include—

(A) * * *

* * * * * * *

(D) private organizations that have science or engineering facilities; [or]

(E) quasi-governmental entities that have a significant scientific or engineering mission[.]*; or*

(F) institutions of higher education which have State-approved centers for research in science, technology, engineering, and mathematics; or

(5) only with respect to grants under subpart 2, partnerships of organizations, the membership of which shall include—

(A) at least one institution of higher education eligible for assistance under this title or title V;

(B) at least one high need local educational agency (as defined in section 200); and

(C) at least two community organizations or entities, such as businesses, professional associations, community-based organizations, philanthropic organizations, or State agencies.

* * * * * * *

SEC. 365. DEFINITIONS.

For the purpose of this part—

(1) * * *

* * * * * * *

(9) The term "special projects" means—

(A) a special project grant to a minority institution which [support] *supports* activities that—

(i) * * *

* * * * * * *

PART F—GENERAL PROVISIONS

SEC. 391. APPLICATIONS FOR ASSISTANCE.

(a) * * *

(b) CONTENTS.—An institution, in its application for a grant, shall—

(1) * * *

* * * * * * *

(7) describe in a comprehensive manner any proposed project for which funds are sought under the application and include—

(A) * * *

* * * * * * *

(E) a detailed description of any activity which involves the expenditure of more than $25,000, as identified in the budget referred to in [subparagraph (E)] *subparagraph (D)*; and

* * * * * * *

(e) TECHNICAL ASSISTANCE.—The Secretary, directly or by grant or contract, may provide technical assistance to eligible institutions to prepare the institutions to qualify, apply for, and maintain a grant, under this title.

* * * * * * *

SEC. 392. WAIVER AUTHORITY AND REPORTING REQUIREMENT.

(a) * * *

* * * * * * *

(b) WAIVER DETERMINATIONS; EXPENDITURES.—(1) * * *

* * * * * * *

(2) The Secretary shall submit to the Congress every other year a report concerning the institutions which, although not satisfying the criterion contained in section 312(b)(1)(B), have been determined to be [eligible institutions under part A institutions] *eligible institutions under part A* which enroll significant numbers of Black American, Hispanic, Native American, Asian American, or Native Hawaiian students under part A, as the case may be. Such report shall—

(A) * * *

* * * * * * *

(c) WAIVER AUTHORITY WITH RESPECT TO INSTITUTIONS LOCATED IN AN AREA AFFECTED BY A GULF HURRICANE DISASTER.—

(1) WAIVER AUTHORITY.—Notwithstanding any other provision of the law unless enacted with specific reference to this section, for any affected institution that was receiving assistance

under this title at the time of a Gulf hurricane disaster, the Secretary shall, for each of the fiscal years 2009 through 2013—

(A) waive—

(i) the eligibility data requirements set forth in section 391(d);

(ii) the wait-out period set forth in section 313(d);

(iii) the allotment requirements under section 324; and

(iv) the use of the funding formula developed pursuant to section 326(f)(3); and

(B) waive or modify any statutory or regulatory provision to ensure that affected institutions that were receiving assistance under this title at the time of a Gulf hurricane disaster are not adversely impacted by any formula calculation for fiscal year 2009 or for any of the 4 succeeding fiscal years;

(C) make available to each affected institution an amount that is not less than the amount made available to such institution under this title for fiscal year 2006.

(2) DEFINITIONS.—In this subsection:

(A) AFFECTED INSTITUTION.—The term "affected institution" means an institution of higher education that—

(i) is—

(I) a part A institution, as such term is defined in section 312(b);

(II) an American Indian Tribal College or University, as such term is defined in section 316(b);

(III) an Alaskan Native-serving institution or Native Hawaiian-serving institution, as such terms are defined in section 317(b); or

(IV) a part B institution, as such term is defined in section 322(2), or as identified in section 326(e) of such Act of 1965 (20 U.S.C. 1063(b));

(ii) is located in an area affected by a Gulf hurricane disaster; and

(iii) is able to demonstrate that, as a result of the impact of a Gulf hurricane disaster, the institution—

(I) incurred physical damage;

(II) has pursued collateral source compensation from insurance, the Federal Emergency Management Agency, and the Small Business Administration, as appropriate; and

(III) was not able to fully reopen in existing facilities or to fully reopen to the pre-hurricane enrollment levels during the 30-day period beginning on August 29, 2005.

(B) 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. 2809).

* * * * * * *

SEC. 396. LIMITATIONS.

The funds appropriated under section [360] *399* may not be used—

(1) * * *

* * * * * * *

SEC. 399. AUTHORIZATIONS OF APPROPRIATIONS.

[(a) AUTHORIZATIONS.—

[(1) PART A.—(A) There are authorized to be appropriated to carry out part A, $135,000,000 (other than section 316) for fiscal year 1999, and such sums as may be necessary for each of the 4 succeeding fiscal years.

[(B) There are authorized to be appropriated to carry out section 316, $10,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years.

[(C) There are authorized to be appropriated to carry out section 317, $5,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years.

[(2) PART B.—(A) There are authorized to be appropriated to carry out part B (other than section 326), $135,000,000 for fiscal year 1999, and such sums as may be necessary for each of the 4 succeeding fiscal years.

[(B) There are authorized to be appropriated to carry out section 326, $35,000,000 for fiscal year 1999, and such sums as may be necessary for each of the 4 succeeding fiscal years.

[(3) PART C.—There are authorized to be appropriated to carry out part C, $10,000,000 for fiscal year 1999, and such sums as may be necessary for each of the 4 succeeding fiscal years.

[(4) PART D.—(A) There are authorized to be appropriated to carry out part D (other than section 345(7), but including section 347), $110,000 for fiscal year 1999, and such sums as may be necessary for each of the 4 succeeding fiscal years.

[(B) There are authorized to be appropriated to carry out section 345(7), such sums as may be necessary for fiscal year 1999 and each of the 4 succeeding fiscal years.

[(5) PART E.—There are authorized to be appropriated to carry out part E, $10,000,000 for fiscal year 1999, and such sums as may be necessary for each of the 4 succeeding fiscal years.]

(a) AUTHORIZATIONS.—

(1) PART A.—(A) There are authorized to be appropriated to carry out part A, $150,000,000 (other than sections 316 through 320) for fiscal year 2009, and such sums as may be necessary for each of the 4 succeeding fiscal years.

(B) There are authorized to be appropriated to carry out section 316, $30,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(C) There are authorized to be appropriated to carry out section 317, $15,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(D) There are authorized to be appropriated to carry out section 318, $75,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(E) There are authorized to be appropriated to carry out section 319, $30,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(F) There are authorized to be appropriated to carry out section 320, $25,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(2) PART B.—(A) There are authorized to be appropriated to carry out part B (other than section 326), $300,000,000 for fiscal year 2009, and such sums as may be necessary for each of the 4 succeeding fiscal years.

(B) There are authorized to be appropriated to carry out section 326, $100,000,000 for fiscal year 2009, and such sums as may be necessary for each of the 4 succeeding fiscal years.

(3) PART C.—There are authorized to be appropriated to carry out part C, $20,000,000 for fiscal year 2009, and such sums as may be necessary for each of the 4 succeeding fiscal years.

(4) PART D.—(A) There are authorized to be appropriated to carry out part D (other than section 345(7), but including section 347), $150,000 for fiscal year 2009, and such sums as may be necessary for each of the 4 succeeding fiscal years.

(B) There are authorized to be appropriated to carry out section 345(7), such sums as may be necessary for fiscal year 2009 and each of the 4 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 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(B) There are authorized to be appropriated to carry out subpart 2 of part E, $10,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

* * * * * * *

(c) MINIMUM GRANT AMOUNT.—The minimum amount of a grant under this title shall be $200,000.

* * * * * * *

PART [J] *G*—STRENGTHENING HISTORICALLY BLACK COLLEGES AND UNIVERSITIES AND OTHER MINORITY-SERVING INSTITUTIONS

SEC. [499A] *399A*. INVESTMENT IN HISTORICALLY BLACK COLLEGES AND UNIVERSITIES AND OTHER MINORITY-SERVING INSTITUTIONS.

(a) * * *

* * * * * * *

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) * * *

(b) PURPOSE AND AMOUNT OF GRANTS.—(1) * * *

[(2)(A) The amount of the Federal Pell Grant for a student eligible under this part shall be—

[(i) $4,500 for academic year 1999–2000;

[(ii) $4,800 for academic year 2000–2001;

[(iii) $5,100 for academic year 2001–2002;

[(iv) $5,400 for academic year 2002–2003; and

[(v) $5,800 for academic year 2003–2004,

less an amount equal to the amount determined to be the expected family contribution with respect to that student for that year.]

(2)(A) The amount of the Federal Pell Grant for a student eligible under this part shall be $9,000 for each of the academic years 2009–2010 through 2013–2014, less an amount equal to the amount determined to be the expected family contribution with respect to that student for that year.

* * * * * * *

[(5)(A) The Secretary may allow, on a case-by-case basis, a student to receive 2 Pell grants during a single award year, if—

[(i) the student is enrolled full-time in an associate or baccalaureate degree program of study that is 2 years or longer at an eligible institution that is computed in credit hours; and

[(ii) the student completes course work toward completion of an associate or baccalaureate degree that exceeds the requirements for a full academic year as defined by the institution.

[(B) The Secretary shall promulgate regulations implementing this paragraph.]

(5) YEAR-ROUND PELL GRANTS.—The Secretary shall, for students enrolled in a baccalaureate degree, associate's degree, or certificate program of study at an eligible institution, award such students not more than two Pell grants during an award year to permit such students to accelerate progress toward their degree or certificate objectives by enrolling in courses for more than 2 semesters, or 3 quarters, or the equivalent, in a given academic year.

* * * * * * *

(7) 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).*

* * * * * * *

(9) ADDITIONAL FUNDS.—

(A) * * *

* * * * * * *

(F) USE OF FISCAL YEAR FUNDS FOR AWARD YEARS.—The amounts made available by subparagraph (A) for any fiscal year shall be available and [remain available for use under

subparagraph (B) for the award year that begins in such fiscal year.] *remain available for the fiscal year succeeding the fiscal year for which such amounts are made available.*

(c) PERIOD OF ELIGIBILITY FOR GRANTS.—(1) * * *

* * * * * * *

(5) The period during which a student may receive Federal Pell Grants shall not exceed the equivalent of 18 semesters or 27 quarters in duration, as determined by the Secretary by regulation. Such regulations shall provide, with respect to a student who received a Federal Pell Grant for a semester or quarter but was enrolled at a fraction of full-time, that only that same fraction of such semester or quarter shall count towards such duration limits. The provisions of this paragraph shall apply only to a student who receives a Federal Pell Grant for the first time on or after July 1, 2008.

* * * * * * *

(f) CALCULATION OF ELIGIBILITY.—(1) * * *

* * * * * * *

(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 and the Committee on Labor and Human Resources of the Senate and the Committee on Appropriations and the Committee on Education and the Workforce of the House of Representatives] *to the Committee on Appropriations of the Senate, the Committee on Appropriations of the House of Representatives, and the authorizing committees*.

* * * * * * *

SEC. 401A. ACADEMIC COMPETITIVENESS GRANTS.

(a) * * *

(b) DESIGNATION.—A grant under this section—

(1) for the first or second [academic] year of a program of undergraduate education shall be known as an "Academic Competitiveness Grant"; and

(2) for the third or fourth [academic] year of a program of undergraduate education shall be known as a "National Science and Mathematics Access to Retain Talent Grant" or a "National SMART Grant".

(c) DEFINITION OF ELIGIBLE STUDENT.—In this section the term "eligible student" means a [full-time] student who, for the [academic] *award* year for which the determination of eligibility is made—

[(1) is a citizen of the United States;]

(1) is an eligible student under section 484, including being enrolled or accepted for enrollment in a degree, certificate, or other eligible program leading to a recognized educational credential at an institution of higher education;

* * * * * * *

(3) in the case of a student enrolled or accepted for enrollment in—

(A) the first [academic] year of a program of undergraduate education at a two- or four-year degree-granting institution of higher education—

(i) has successfully completed, after January 1, 2006, a rigorous secondary school program of study [established by a State or local educational agency and recognized as such by the Secretary] *that prepares students for college and work beyond the basic graduation requirements and that is recognized as such by the designated State official, or with respect to any private school or home school, the designated school official for such school, consistent with State law*; and

(ii) has not been previously enrolled in a program of undergraduate education*, except as part of a secondary school program of study*;

(B) the second [academic] year of a program of undergraduate education at a two- or four-year degree-granting institution of higher education—

(i) has successfully completed, after January 1, 2005, a rigorous secondary school program of study [established by a State or local educational agency and recognized as such by the Secretary] *that prepares students for college and work beyond the basic graduation requirements and that is recognized as such by the designated State official, or with respect to any private school or home school, the designated school official for such school, consistent with State law*; and

(ii) has obtained a cumulative grade point average of at least 3.0 (or the equivalent as determined under regulations prescribed by the Secretary) at the end of the first [academic] year of such program of undergraduate education; or

(C) the third or fourth [academic] year of a program of undergraduate education at a four-year degree-granting institution of higher education—

(i) is pursuing a major in—

(I) * * *

[(II) a foreign language that the Secretary, in consultation with the Director of National Intelligence, determines is critical to the national security of the United States; and]

(II) a critical foreign language; and

(ii) has obtained a cumulative grade point average of at least 3.0 (or the equivalent as determined under regulations prescribed by the Secretary) in the coursework required for the major described in clause (i)[.]*; and*

(D) the third or fourth year of a program of undergraduate education at an institution of higher education (as defined in section 101(a)) that demonstrates, to the satisfaction of the Secretary, that the institution—

(i) offers a single liberal arts curriculum leading to a baccalaureate degree, under which students are not permitted by the institution to declare a major in a particular subject area, and those students—

(I) study, in such years, a subject described in subparagraph (C)(i) that is at least equal to the requirements for an academic major at an institution of higher education that offers a baccalaureate degree in such subject, as certified by an appropriate official from the institution; or

(II) has obtained a cumulative grade point average of at least 3.0 (or the equivalent as determined under regulations prescribed by the Secretary) in the relevant coursework; and

(ii) offered such curriculum prior to February 8, 2006.

(d) GRANT AWARD.—

(1) AMOUNTS.—

(A) The Secretary shall award a grant under this section in the amount of—

(i) $750 *for one academic year during the student's first year of enrollment* for an eligible student under subsection (c)(3)(A);

(ii) $1,300 *for one academic year during the student's second year of enrollment* for an eligible student under subsection (c)(3)(B); or

(iii) $4,000 *for one academic year* for an eligible student under ⟦subsection (c)(3)(C).⟧ *subparagraph (C) or (D) of subsection (c)(3), for each of the 2 years described in such subparagraphs; or*

* * * * * * *

(2) LIMITATIONS.—The Secretary shall not award a grant under this section—

(A) to any student for ⟦an academic⟧ *a* year of a program of undergraduate education described in subparagraph (A), ⟦(B), or (C)⟧ *(B), (C), or (D)* of subsection (c)(3) for which the student received credit before the date of enactment of the Higher Education Reconciliation Act of 2005; or

(B) to any student for more than—

(i) * * *

(ii) one academic year under subsection (c)(3)(B); ⟦or⟧

⟦(iii) two academic years under subsection (c)(3)(C).⟧

(iii) two academic years under subsection (c)(3)(C); or

(iv) two academic years under subsection (c)(3)(D).

(3) ADJUSTMENT FOR LESS THAN FULL-TIME ENROLLMENT.—A grant awarded under this section to an eligible student who attends an eligible institution on a less than full-time (but at least half-time or more) basis shall be reduced in the same proportion as would a Federal Pell Grant pursuant to section 401(b)(2)(B).

* * * * * * *

(g) SUNSET PROVISION.—The authority to make grants under this section shall expire at the end of [academic] *award* year 2010–2011.

CHAPTER 1—FEDERAL TRIO PROGRAMS

SEC. 402A. PROGRAM AUTHORITY; AUTHORIZATION OF APPROPRIATIONS.

(a) * * *

(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 *community-based organizations with experience in serving disadvantaged youth*, combinations of such institutions, agencies and organizations, and [in exceptional circumstances,] 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 [4] *5* years, except that—

[(A) the Secretary shall award such grants or contracts for 5 years to applicants whose peer review scores were in the highest 10 percent of scores of all applicants receiving grants or contracts in each program competition for the same award year;]

[(B)] *(A)* grants made under section 402G shall be awarded for a period of 2 years; and

[(C)] *(B)* 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, individual grants under this chapter shall be no less than—

[(A) $170,000 for programs authorized by sections 402D and 402G;

[(B) $180,000 for programs authorized by sections 402B and 402F; and

[(C) $190,000 for programs authorized by sections 402C and 402E.]

(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.

(c) PROCEDURES FOR AWARDING GRANTS AND CONTRACTS.—

(1) * * *

(2) PRIOR EXPERIENCE.—In making grants under this chapter, the Secretary shall consider each applicant's prior experience of [service delivery] *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.

(3) ORDER OF AWARDS; PROGRAM FRAUD.—(A) * * *

(B) The Secretary [is not required to] *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.

* * * * * * *

(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 [campuses] *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 require each applicant for funds under the programs authorized by this chapter to identify services to foster care youth as a permissible service in those programs, and to ensure that such youth receive supportive services, including mentoring, tutoring, and other services provided by those programs.*

* * * * * * *

(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 [(g)(2)] *(h)(4)* shall be made by providing the Secretary with—

(A) * * *

* * * * * * *

(2) In the case of an independent student, as defined in section 480(d), documentation of an individual's status pursuant to subsection [(g)(2)] *(h)(4)* shall be made by providing the Secretary with—

(A) * * *

* * * * * * *

(3) Notwithstanding this subsection and subsection (i)(4), individuals who are homeless or unaccompanied youth as defined in section 725 of the McKinney-Vento Homeless Assistance Act shall be eligible to participate in programs under sections 402B, 402C, 402D, and 402F of this chapter.

(f) OUTCOME CRITERIA.—

(1) USE FOR PRIOR EXPERIENCE DETERMINATION.—The Secretary shall use the outcome criteria described in paragraphs (2) and (3) to evaluate the programs provided by a recipient of a grant under this chapter, and the Secretary shall determine an eligible entity's prior experience of high quality service delivery, as required under subsection (c)(2), based on the outcome criteria.

(2) DISAGGREGATION OF RELEVANT DATA.—The outcome criteria under this subsection shall be disaggregated by low-income students, first generation college students, 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;

(iv) the completion by such students of a rigorous secondary school program of study that will make them eligible for programs such as the Academic Competitiveness Grants; and

(v) the enrollment of such students in an institution of higher education.

(B) For programs authorized under section 402C, 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 them eligible for programs such as the Academic Competitiveness Grants; and

(vi) the enrollment of such students in an institution of higher education.

(C) 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 percentage of students served by the program who completed degree programs met or exceeded the entity's objectives; 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 the students served by the entity met or exceeded s objectives regarding—

(aa) the completion of a degree or certificate; and

(bb) the transfer to institutions of higher education that offer baccalaureate degrees;

(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 such students remaining in good academic standing.

(D) 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, 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

(iv) the continued enrollment of such students in graduate study and the attainment of doctoral degrees by former program participants.

(E) 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;

(ii) the 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, 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 an 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 enti-

ty's application approved for funding by the Secretary, with the results for the criterion, measured as of the last day of the applicable time period for the determination for each outcome criteria.

(5) APPEALS.—Upon determination by the Secretary not to accept an application, or upon determination by the Secretary through the peer review process as specified in (c)(4) not to fund an application, for any program under this chapter, the Secretary shall allow such applicant to appeal to an administrative law judge that the Secretary improperly rejected or improperly scored the evaluation criteria points. The Secretary shall notify each entity requesting assistance under this chapter regarding the status of their application at least 90 days prior to the start-up date of such program.

[(f)**]** *(g)* AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants and contracts under this chapter, there are authorized to be appropriated **[**$700,000,000 for fiscal year 1999, and such sums as may be necessary for each of the 4 succeeding fiscal years.**]** *$950,000,000 for fiscal year 2009 and such sums for each of the 4 succeeding fiscal years.* 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 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. **[**The Secretary shall report to Congress by October 1, 1994, on the use of these funds.**]**

[(g)**]** *(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.

[(1)**]** *(3)* FIRST GENERATION COLLEGE STUDENT.—The term "first generation college student" means—

(A) * * *

* * * * * * *

[(2)] *(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.

[(3)] *(5)* 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) served on active duty for a period of more than 180 days[, any part of which occurred after January 31, 1955,] and was discharged or released therefrom under conditions other than dishonorable; [or]

(B) served on active duty [after January 31, 1955,] and was discharged or released therefrom because of a service connected disability[.]*;*

(C) was a member of a reserve component of the Armed forces called to active duty for a period of more than 180 days; or

(D) 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.

[(4)] *(6)* WAIVER.—The Secretary may waive the service requirements in [subparagraph (A) or (B) of paragraph (3)] *subparagraph (A), (B), or (C) of paragraph (5)* if the Secretary determines the application of the service requirements to a veteran will defeat the purpose of a program under this chapter.

* * * * * * *

SEC. 402C. UPWARD BOUND.

(a) * * *

(b) PERMISSIBLE SERVICES.—Any upward bound project assisted under this chapter may provide services such as—

(1) * * *

* * * * * * *

(11) special services*, including mathematics and science preparation,* to enable veterans to make the transition to postsecondary education; and

* * * * * * *

(f) ABSOLUTE PRIORITY PROHIBITED IN UPWARD BOUND PROGRAM.—Except as otherwise expressly provided by amendment to this section, the Secretary shall not implement or enforce, and shall rescind, the absolute priority for Upward Bound Program participant selection and evaluation published by the Department of Education in the Federal Register on September 22, 2006 (71 Fed. Reg. 55447 et seq.).

* * * * * * *

SEC. 402E. POSTBACCALAUREATE ACHIEVEMENT PROGRAM AUTHORITY.

(a) * * *

* * * * * * *

(c) REQUIREMENTS.—In approving applications for postbaccalaureate achievement projects assisted under this section for any fiscal year, the Secretary shall require—

(1) * * *

(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 Native Hawaiians, as defined section 317(b)(3), and Pacific Islanders*;

* * * * * * *

SEC. 402H. [EVALUATIONS AND GRANTS FOR PROJECT IMPROVEMENT AND DISSEMINATION PARTNERSHIP PROJECTS.] *REPORTS, EVALUATIONS, AND GRANTS FOR PROJECT IMPROVEMENT AND DISSEMINATION.*

(a) REPORTS TO THE AUTHORIZING COMMITTEES.—The Secretary shall submit annually to the authorizing committees a report that documents the performance of all programs funded under this chapter. The report shall—

(1) be submitted not later than 24 months after the eligible entities receiving funds under this chapter are required to report their performance to the Secretary;

(2) focus on the programs' performance on the relevant outcome criteria determined under section 402A(f)(4);

(3) aggregate individual project performance data on the outcome criteria in order to provide national performance data for each program;

(4) include, when appropriate, descriptive data, multi-year data, and multi-cohort data; and

(5) include comparable data on the performance nationally of low-income students, first-generation students, and students with disabilities.

[(a)] *(b)* EVALUATIONS.—

(1) * * *

[(2) PRACTICES.—The evaluations described in paragraph (1) shall identify institutional, community, and program or project practices that are particularly effective in enhancing the access of low-income individuals and first-generation college students to postsecondary education, the preparation of the individuals and students for postsecondary education, and the success of the individuals and students in postsecondary education. Such evaluations shall also investigate the effectiveness of alternative and innovative methods within Federal TRIO programs of increasing access to, and retention of, students in postsecondary education.]

(2) PRACTICES.—

(A) IN GENERAL.—The evaluations described in paragraph (1) shall identify institutional, community, and program or project practices that are particularly effective in—

(i) enhancing the access of low-income individuals and first-generation college students to postsecondary education;

(ii) the preparation of the 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 its 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). Such practices may be used by eligible entities that receive assistance under this chapter after the dissemination.

(3) RECRUITMENT.—The Secretary shall not require an eligible entity desiring to receive assistance under this chapter to recruit students to serve as a control group for purposes of evaluating any program or project assisted under this chapter.

(4) CONSIDERATION.—When designing an evaluation under this subsection, the Secretary shall consider—

(A) the burden placed upon the program participants or the eligible entity; and

(B) approval by the institution's institutional review board.

[(b)**]** *(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) * * *

* * * * * * *

[(c)**]** *(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.

* * * * * * *

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—

(1) encourages eligible entities to provide or maintain a guarantee to eligible low-income students*, including students with*

disabilities, who obtain a secondary school diploma (or its recognized equivalent), of the financial assistance necessary to permit the students to attend an institution of higher education; and

(2) supports eligible entities in providing—

(A) additional counseling, mentoring, academic support, outreach, and supportive services to elementary school, middle school, and secondary school students*, including students with disabilities,* who are at risk of dropping out of school; and

* * * * * * *

(b) AWARDS.—

(1) * * *

[(2) PRIORITY.—In making awards to eligible entities described in paragraph (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 Amendments of 1998, 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;

[(B) ensure that students served under this chapter on the day before the date of enactment of the Higher Education Amendments of 1998 continue to receive assistance through the completion of secondary school.**]**

(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 7 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 College Opportunity and Affordability Act of 2007, 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 College Opportunity and Affordability Act of 2007 continue to receive assistance through the completion of secondary school.

* * * * * * *

SEC. 404B. REQUIREMENTS.

(a) * * *

* * * * * * *

(g) 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; 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.

* * * * * * *

SEC. 404C. ELIGIBLE ENTITY PLANS.

(a) * * *

(b) MATCHING REQUIREMENT.—

(1) IN GENERAL.—The Secretary shall not approve a plan submitted under subsection (a) unless such plan—

(A) provides that the eligible entity will provide, from State, local, institutional, or private funds, not less than 50 percent of the cost of the program, which matching funds may be provided in cash or in kind *and accrued over the full duration of the grant award period*;

* * * * * * *

(2) SPECIAL RULE.—Notwithstanding the matching requirement described in paragraph (1)(A), the Secretary may by regulation modify the percentage requirement described in paragraph (1)(A) for eligible entities described in section 404A(c)(2). *Eligible entities may request a reduced match percentage at the time of application or by petition subsequent to a grant award, provided that an eligible entity can demonstrate a change in circumstances that was unknown at the time of application.*

(3) ADDITIONAL SPECIAL RULE.—To encourage eligible entities described in 404A(c) to provide students under this chapter with financial assistance for postsecondary education, each dollar of non-Federal funds obligated under subsection (c)(1) and (c)(2) shall, for purposes of paragraph (1)(A) of this subsection, be treated as 2 dollars.

(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 **[**paid to students from State, local, institutional, or private funds under this chapter**]** *obligated to students from State, local, institutional, or private funds under this chapter, including pre-existing, non-Federal financial assistance programs*;

(2) the amount of tuition, fees, room or board waived or reduced for recipients of financial assistance under this chapter; [and]

(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 contribution from non-Federal sources, transportation expenses, in-kind or discounted program services, indirect costs, and facility usage.

* * * * * * *

SEC. 404D. EARLY INTERVENTION.

(a) SERVICES.—

(1) IN GENERAL.—In order to receive a grant under this chapter, an eligible entity shall demonstrate to the satisfaction of the Secretary, in the plan submitted under section 404C, that the eligible entity will provide comprehensive mentoring, counseling, outreach, and supportive services to students participating in programs under this chapter. Such counseling shall include—

(A) * * *

(B) activities or information regarding—

(i) * * *

(ii) college admissions and achievement tests; [and]

(iii) college application procedures[.]*; and*

(iv) the transition to college or postsecondary education through continuity of services to support students in and through the first year of attendance at an institution of higher education.

* * * * * * *

(b) USES OF FUNDS.—

(1) * * *

(2) PERMISSIBLE ACTIVITIES.—Examples of activities that meet the requirements of subsection (a) include the following:

(A) Providing eligible students in preschool through grade 12 *and students in the first year of attendance at an institution of higher education* with a continuing system of mentoring and advising that—

(i) is coordinated with the Federal and State community service initiatives; [and]

(ii) may include such support services as after school and summer tutoring, assistance in obtaining summer jobs, career mentoring, [and academic counseling.]*, academic counseling, and financial literacy and economic literacy education or counseling; and*

(iii) may include special programs or tutoring in science, technology, engineering, or mathematics.

* * * * * * *

(F) 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.

(G) Engaging entities described in section 404A(c)(2)(C) in a collaborative manner to provide matching resources and participate in other activities authorized under this section.

(H) 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 described in section 404A(c) to eligible students, their families, and communities.

(3) ADDITIONAL PERMISSIBLE ACTIVITIES FOR STATES.—In meeting the requirements of subsection (a), an eligible entity described in section 404A(c) (1) receiving funds under this chapter may, in addition to the activities authorized by paragraph (2) of this subsection, use funds to provide technical assistance to—

(A) middle schools or secondary schools that are located within the State; or

(B) partnerships described in section 404A(c)(2) that are located within the State.

(c) PRIORITY STUDENTS.—For eligible entities not using a cohort approach, the eligible entity shall treat as priority students any student in preschool through [grade 12 who is eligible] *grade 12, and may consider a student in the first year of attendance at an institution, who is—*

(1) *eligible* to be counted under section 1124(c) of the Elementary and Secondary Education Act of 1965;

(2) *eligible* for free or reduced price meals under the Richard B. Russell National School Lunch Act; [or]

(3) *eligible* for assistance pursuant to part A of title IV of the Social Security Act[.]*;*

(4) in foster care; or

(5) a homeless or unaccompanied youth as defined in section 725 of the McKinney-Vento Homeless Assistance Act.

* * * * * * *

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 *to supplement aid for which they are regularly eligible* 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) PARTNERSHIPS.—An eligible entity described in section 404A(c)(2) may award scholarships to eligible students *to supplement aid for which they are regularly eligible* in accordance with the requirements of this section.

(b) 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 lesser of—

(1) * * *

(2) [the maximum Federal Pell Grant] *the minimum Federal Pell Grant* funded under section 401 for such fiscal year.

* * * * * * *

SEC. 404H. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this chapter [$200,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years] *$400,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years*.

* * * * * * *

[CHAPTER 3—ACADEMIC ACHIEVEMENT INCENTIVE SCHOLARSHIPS

[SEC. 406A. SCHOLARSHIPS AUTHORIZED.

[The Secretary is authorized to award scholarships to students who graduate from secondary school after May 1, 2000, to enable the students to pay the cost of attendance at an institution of higher education during the students first 2 academic years of undergraduate education, if the students—

[(1) are eligible to receive Federal Pell Grants for the year in which the scholarships are awarded; and

[(2) demonstrate academic achievement by graduating in the top 10 percent of their secondary school graduating class.

[SEC. 406B. SCHOLARSHIP PROGRAM REQUIREMENTS.

[(a) AMOUNT OF AWARD.—

[(1) IN GENERAL.—Except as provided in paragraph (2), the amount of a scholarship awarded under this chapter for any academic year shall be equal to 100 percent of the amount of the Federal Pell Grant for which the recipient is eligible for the academic year.

[(2) ADJUSTMENT FOR INSUFFICIENT APPROPRIATIONS.—If, after the Secretary determines the total number of eligible applicants for an academic year in accordance with section 406C, funds available to carry out this chapter for the academic year are insufficient to fully fund all awards under this chapter for the academic year, the amount of the scholarship paid to each student under this chapter shall be reduced proportionately.

[(b) ASSISTANCE NOT TO EXCEED COST OF ATTENDANCE.—A scholarship awarded under this chapter to any student, in combination with the Federal Pell Grant assistance and other student financial assistance available to such student, may not exceed the student's cost of attendance.

[SEC. 406C. ELIGIBILITY OF SCHOLARS.

[(a) PROCEDURES ESTABLISHED BY REGULATION.—The Secretary shall establish by regulation procedures for the determination of eligibility of students for the scholarships awarded under this chap-

ter. Such procedures shall include measures to prevent any secondary school from certifying more than 10 percent of the school's students for eligibility under this section.

[(b) COORDINATION.—In prescribing procedures under subsection (a), the Secretary shall ensure that the determination of eligibility and the amount of the scholarship is determined in a timely and accurate manner consistent with the requirements of section 482 and the submission of the financial aid form required by section 483. For such purposes, the Secretary may provide that, for the first academic year of a student's 2 academic years of eligibility under this chapter, class rank may be determined prior to graduation from secondary school, at such time and in such manner as the Secretary may specify in regulations prescribed under this chapter.

[SEC. 406D. STUDENT REQUIREMENTS.

[(a) IN GENERAL.—Each eligible student desiring a scholarship under this chapter shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

[(b) CONTINUING ELIGIBILITY.—In order for a student to continue to be eligible to receive a scholarship under this chapter for the second year of undergraduate education, the eligible student shall maintain eligibility to receive a Federal Pell Grant for that year, including fulfilling the requirements for satisfactory progress described in section 484(c).

[SEC. 407E. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated to carry out this chapter $200,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years.]

SUBPART 3—FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS

SEC. 413A. PURPOSE; APPROPRIATIONS AUTHORIZED.

(a) * * *

(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 [$675,000,000 for fiscal year 1999] *$875,000,000 for fiscal year 2009* and such sums as may be necessary for the 4 succeeding fiscal years.

* * * * * * *

SEC. 413D. ALLOCATION OF FUNDS.

(a) * * *

* * * * * * *

(c) DETERMINATION OF INSTITUTION'S NEED.—(1) * * *

* * * * * * *

(3)(A) * * *

* * * * * * *

(D) The allowance for books and supplies described in subparagraph (A)(iii) is equal to [$450] *$600*.

* * * * * * *

SUBPART 4—LEVERAGING EDUCATIONAL ASSISTANCE PARTNERSHIP PROGRAM

SEC. 415A. PURPOSE; APPROPRIATIONS AUTHORIZED.

(a) * * *

(b) AUTHORIZATION OF APPROPRIATIONS; AVAILABILITY.—

[(1) IN GENERAL.—There are authorized to be appropriated $105,000,000 for fiscal year 1999, and such sums as may be necessary for each of the 4 succeeding fiscal years.

[(2) RESERVATION.—For any fiscal year for which the amount appropriated under paragraph (1) exceeds $30,000,000, the excess shall be available to carry out section 415E.]

(1) IN GENERAL.—There are authorized to be appropriated to carry out this subpart $200,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(2) RESERVATION.—For any fiscal year for which the amount appropriated under paragraph (1) exceeds $30,000,000, the excess amount shall be available to carry out section 415E.

* * * * * * *

SEC. 415C. APPLICATIONS FOR LEVERAGING EDUCATIONAL ASSISTANCE PARTNERSHIP PROGRAMS.

(a) * * *

(b) PAYMENT OF FEDERAL SHARE OF GRANTS MADE BY QUALIFIED PROGRAM.—From a State's allotment under this subpart for any fiscal year the Secretary is authorized to make payments to such State for paying up to 50 percent of the amount of student grants pursuant to a State program which—

(1) * * *

(2) provides that such grants will be in amounts not in excess of [$5,000] *$12,500* per academic year (A) for attendance on a full-time basis at an institution of higher education, and (B) for campus-based community service work learning study jobs;

* * * * * * *

(9) provides (A) for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State agency under this subpart, and (B) for the making of such reports, in such form and containing such information, as may be reasonably necessary to enable the Secretary to perform his functions under this subpart; [and]

(10) for any academic year beginning after June 30, 1987, provides the non-Federal share of the amount of student grants or work-study jobs under this subpart through a direct appropriation of State funds for the program under this subpart[.]*; and*

(11) provides notification to eligible students that such grants are—

(A) Leveraging Educational Assistance Partnership Grants; and

(B) funded by the Federal Government and the State.

* * * * * * *

[SEC. 415E. SPECIAL LEVERAGING EDUCATIONAL ASSISTANCE PARTNERSHIP PROGRAM.

[(a) IN GENERAL.—From amounts reserved under section 415A(b)(2) for each fiscal year, the Secretary shall—

[(1) make allotments among States in the same manner as the Secretary makes allotments among States under section 415B; and

[(2) award grants to States, from allotments under paragraph (1), to enable the States to pay the Federal share of the cost of the authorized activities described in subsection (c).

[(b) APPLICABILITY RULE.—The provisions of this subpart which are not inconsistent with this section shall apply to the program authorized by this section.

[(c) AUTHORIZED ACTIVITIES.—Each State receiving a grant under this section may use the grant funds for—

[(1) making awards that—

[(A) supplement grants received under section 415C(b)(2) by eligible students who demonstrate financial need; or

[(B) provide grants under section 415C(b)(2) to additional eligible students who demonstrate financial need;

[(2) providing scholarships for eligible students—

[(A) who demonstrate financial need; and

[(B) who—

[(i) desire to enter a program of study leading to a career in—

[(I) information technology;

[(II) mathematics, computer science, or engineering;

[(III) teaching; or

[(IV) another field determined by the State to be critical to the State's workforce needs; or

[(ii) demonstrate merit or academic achievement; and

[(3) making awards that—

[(A) supplement community service work-study awards received under section 415C(b)(2) by eligible students who demonstrate financial need; or

[(B) provide community service work-study awards under section 415C(b)(2) to additional eligible students who demonstrate financial need.

[(d) MAINTENANCE OF EFFORT REQUIREMENT.—Each State receiving a grant under this section for a fiscal year shall provide the Secretary an assurance that the aggregate amount expended per student or the aggregate expenditures by the State, from funds derived from non-Federal sources, for the authorized activities described in subsection (c) for the preceding fiscal year were not less than the amount expended per student or the aggregate expenditures by the State for the activities for the second preceding fiscal year.

[(e) FEDERAL SHARE.—The Federal share of the cost of the authorized activities described in subsection (c) for any fiscal year shall be not more than 33⅓ percent.

[(f) SPECIAL RULE.—Notwithstanding subsection (d), for purposes of determining a State's share of the cost of the authorized activities described in subsection (c), the State shall consider only those expenditures from non-Federal sources that exceed its total expenditures for need-based grants, scholarships, and work-study assistance for fiscal year 1999 (including any such assistance provided under this subpart).

[(g) USE OF FUNDS FOR ADMINISTRATIVE COSTS PROHIBITED.—A State receiving a grant under this section shall not use any of the grant funds to pay administrative costs associated with any of the authorized activities described in subsection (c).]

SEC. 415E. GRANTS FOR ACCESS AND PERSISTENCE.

(a) PURPOSE.—It is the purpose of this section to expand college access and increase college persistence by making allotments to States to enable the States to—

(1) expand and enhance partnerships with institutions of higher education, early information and intervention, mentoring, or outreach programs, private corporations, philanthropic organizations, and other interested parties to carry out activities under this section and to provide coordination and cohesion among Federal, State, and local governmental and private efforts that provide financial assistance to help low-income students attend college;

(2) provide need-based access and persistence grants to eligible low-income students;

(3) provide early notification to low-income students of their eligibility for financial aid; and

(4) encourage increased participation in early information and intervention, mentoring, or outreach programs.

(b) ALLOTMENTS TO STATES.—

(1) IN GENERAL.—

(A) AUTHORIZATION.—From sums reserved under section 415A(b)(2) for each fiscal year, the Secretary shall make an allotment to each State that submits an application for an allotment in accordance with subsection (c) to enable the State to pay the Federal share of the cost of carrying out the activities under subsection (d).

(B) DETERMINATION OF ALLOTMENT.—In making allotments under subparagraph (A), the Secretary shall consider the following:

(i) CONTINUATION OF AWARD.—If a State continues to meet the specifications established in its application under subsection (c), the Secretary shall make an allotment to such State that is not less than the allotment made to such State for the previous fiscal year.

(ii) PRIORITY.—The Secretary shall give priority in making allotments to States that meet the requirements under paragraph (2)(B)(ii).

(2) FEDERAL SHARE.—

(A) IN GENERAL.—The Federal share of the cost of carrying out the activities under subsection (d) for any fiscal year shall not exceed 66.66 percent.

(B) DIFFERENT PERCENTAGES.—The Federal share under this section shall be determined in accordance with the following:

(i) The Federal share of the cost of carrying out the activities under subsection (d) shall be equal to 57 percent if a State applies for an allotment under this section in partnership with any number of degree-granting institutions of higher education in the State whose combined full-time enrollment represents less than a majority of all students attending institutions of higher education in the State, and—

(I) philanthropic organizations that are located in, or that provide funding in, the State; or

(II) private corporations that are located in, or that do business in, the State.

(ii) The Federal share of the cost of carrying out the activities under subsection (d) shall be equal to 66.66 percent if a State applies for an allotment under this section in partnership with any number of degree-granting institutions of higher education in the State whose combined full-time enrollment represents a majority of all students attending institutions of higher education in the State, and—

(I) philanthropic organizations that are located in, or that provide funding in, the State; or

(II) private corporations that are located in, or that do business in, the State.

(C) NON-FEDERAL SHARE.—

(i) IN GENERAL.—The non-Federal share under this section may be provided in cash or in kind, fairly evaluated.

(ii) IN KIND CONTRIBUTION.—For the purpose of calculating the non-Federal share under this subparagraph, an in kind contribution is a non-cash contribution that—

(I) has monetary value, such as the provision of—

(aa) room and board; or

(bb) transportation passes; and

(II) helps a student meet the cost of attendance at an institution of higher education.

(iii) EFFECT ON NEEDS ANALYSIS.—For the purpose of calculating a student's need in accordance with part F, an in kind contribution described in clause (ii) shall not be considered an asset or income of the student or the student's parent.

(c) APPLICATION FOR ALLOTMENT.—

(1) IN GENERAL.—

(A) SUBMISSION.—A State that desires to receive an allotment 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) CONTENT.—An application submitted under subparagraph (A) shall include the following:

(i) A description of the State's plan for using the allotted funds.

(ii) Assurances that the State will provide matching funds, in cash or in kind, from State, institutional, philanthropic, or private funds, of not less than 33.33 percent of the cost of carrying out the activities under subsection (d). The State shall specify the methods by which matching funds will be paid and include provisions designed to ensure that funds provided under this section will be used to supplement, and not supplant, Federal and non-Federal funds available for carrying out the activities under this title. A State that uses non-Federal funds to create or expand existing partnerships with nonprofit organizations or community-based organizations in which such organizations match State funds for student scholarships, may apply such matching funds from such organizations toward fulfilling the State's matching obligation under this clause.

(iii) Assurances that early information and intervention, mentoring, or outreach programs exist within the State or that there is a plan to make such programs widely available.

(iv) A description of the organizational structure that the State has in place to administer the activities under subsection (d).

(v) A description of the steps the State will take to ensure students who receive grants under this section persist to degree completion.

(vi) Assurances that the State has a method in place, such as acceptance of the automatic zero expected family contribution determination described in section 479(c), to identify eligible low-income students and award State grant aid to such students.

(vii) Assurances that the State will provide notification to eligible low-income students that grants under this section are—

(I) Leveraging Educational Assistance Partnership Grants; and

(II) funded by the Federal Government and the State.

(2) STATE AGENCY.—The State agency that submits an application for a State under section 415C(a) shall be the same State agency that submits an application under paragraph (1) for such State.

(3) PARTNERSHIP.—In applying for an allotment under this section, the State agency shall apply for the allotment in partnership with—

(A) not less than one public and one private degree-granting institution of higher education that are located in the State;

(B) new or existing early information and intervention, mentoring, or outreach programs located in the State; and

(C) not less than one—

(i) philanthropic organization located in, or that provides funding in, the State; or

(ii) private corporation located in, or that does business in, the State.

(4) ROLES OF PARTNERS.—

(A) STATE AGENCY.—A State agency that is in a partnership receiving an allotment under this section—

(i) shall—

(I) serve as the primary administrative unit for the partnership;

(II) provide or coordinate matching funds, and coordinate activities among partners;

(III) encourage each institution of higher education in the State to participate in the partnership;

(IV) make determinations and early notifications of assistance as described under subsection (d)(2); and

(V) annually report to the Secretary on the partnership's progress in meeting the purpose of this section; and

(ii) may provide early information and intervention, mentoring, or outreach programs.

(B) DEGREE-GRANTING INSTITUTIONS OF HIGHER EDUCATION.—A degree-granting institution of higher education (as defined in section 102) that is in a partnership receiving an allotment under this section—

(i) shall—

(I) recruit and admit participating qualified students and provide such additional institutional grant aid to participating students as agreed to with the State agency;

(II) provide support services to students who receive an access and persistence grant under this section and are enrolled at such institution; and

(III) assist the State in the identification of eligible students and the dissemination of early notifications of assistance as agreed to with the State agency; and

(ii) may provide funding for early information and intervention, mentoring, or outreach programs or provide such services directly.

(C) PROGRAMS.—An early information and intervention, mentoring, or outreach program that is in a partnership receiving an allotment under this section shall provide direct services, support, and information to participating students.

(D) PHILANTHROPIC ORGANIZATION OR PRIVATE CORPORATION.—A philanthropic organization or private corporation that is in a partnership receiving an allotment under this section shall provide funds for access and persistence grants for participating students, or provide funds or support for early information and intervention, mentoring, or outreach programs.

(d) AUTHORIZED ACTIVITIES.—

(1) IN GENERAL.—

(A) ESTABLISHMENT OF PARTNERSHIP.—Each State receiving an allotment under this section shall use the funds to establish a partnership to award access and persistence grants to eligible low-income students in order to increase the amount of financial assistance such students receive under this subpart for undergraduate education expenses.

(B) AMOUNT.—

(i) PARTNERSHIPS WITH INSTITUTIONS SERVING LESS THAN A MAJORITY OF STUDENTS IN THE STATE.—

(I) IN GENERAL.—In the case where a State receiving an allotment under this section is in a partnership described in subsection (b)(2)(B)(i), the amount of an access and persistence grant awarded by such State shall be not less than the amount that is equal to the average undergraduate tuition and mandatory fees at 4-year public institutions of higher education in the State where the student resides (less any other Federal or State sponsored grant amount, college work study amount, and scholarship amount received by the student) and such amount shall be used toward the cost of attendance at an institution of higher education, located in the State, that is a partner in the partnership.

(II) COST OF ATTENDANCE.—A State that has a program, apart from the partnership under this section, of providing eligible low-income students with grants that are equal to the average undergraduate tuition and mandatory fees at 4-year public institutions of higher education in the State, may increase the amount of access and persistence grants awarded by such State up to an amount that is equal to the average cost of attendance at 4-year public institutions of higher education in the State (less any other Federal or State sponsored grant amount, college work study amount, and scholarship amount received by the student).

(ii) PARTNERSHIP WITH INSTITUTIONS SERVING THE MAJORITY OF STUDENTS IN THE STATE.—In the case where a State receiving an allotment under this section is in a partnership described in subsection (b)(2)(B)(ii), the amount of an access and persistence grant awarded by such State shall be not less than the average cost of attendance at 4-year public institutions of higher education in the State where the student resides (less any other Federal or State sponsored grant amount, college work study amount, and scholarship amount received by the student) and such amount shall be used by the student to attend an institution of higher education, located in the State, that is a partner in the partnership.

(2) EARLY NOTIFICATION.—

(A) IN GENERAL.—Each State receiving an allotment under this section shall annually notify low-income students (such as students who are eligible to receive a free

lunch under the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.)) in grade 7 through grade 12 in the State, and their families, of their potential eligibility for student financial assistance, including an access and persistence grant, to attend an institution of higher education.

(B) CONTENT OF NOTICE.—The notification under subparagraph (A)—

(i) shall include—

(I) information about early information and intervention, mentoring, or outreach programs available to the student;

(II) information that a student's candidacy for an access and persistence grant is enhanced through participation in an early information and intervention, mentoring, or outreach program;

(III) an explanation that student and family eligibility and participation in other Federal means-tested programs may indicate eligibility for an access and persistence grant and other student aid programs;

(IV) a nonbinding estimation of the total amount of financial aid a low-income student with a similar income level may expect to receive, including an estimation of the amount of an access and persistence grant and an estimation of the amount of grants, loans, and all other available types of aid from the major Federal and State financial aid programs;

(V) an explanation that in order to be eligible for an access and persistence grant, at a minimum, a student shall meet the requirement under paragraph (3), graduate from secondary school, and enroll at an institution of higher education that is a partner in the partnership;

(VI) information on any additional requirements (such as a student pledge detailing student responsibilities) that the State may impose for receipt of an access and persistence grant under this section; and

(VII) instructions on how to apply for an access and persistence grant and an explanation that a student is required to file a Free Application for Federal Student Aid authorized under section 483(a) to be eligible for such grant and assistance from other Federal and State financial aid programs; and

(ii) may include a disclaimer that access and persistence grant awards are contingent upon—

(I) a determination of the student's financial eligibility at the time of the student's enrollment at an institution of higher education that is a partner in the partnership;

(II) annual Federal and State appropriations; and

(III) other aid received by the student at the time of the student's enrollment at an institution of higher education that is a partner in the partnership.

(3) ELIGIBILITY.—In determining which students are eligible to receive access and persistence grants, the State shall ensure that each such student complies with the following subparagraph (A) or (B):

(A) Meets not less than 2 of the following criteria, with priority given to students meeting all of the following criteria:

(i) Has an expected family contribution equal to zero (as described in section 479) or a comparable alternative based upon the State's approved criteria in section 415C(b)(4).

(ii) Has qualified for a free lunch, or at the State's discretion a reduced price lunch, under the school lunch program established under the Richard B. Russell National School Lunch Act.

(iii) Qualifies for the State's maximum undergraduate award, as authorized under section 415C(b).

(iv) Is participating in, or has participated in, a Federal, State, institutional, or community early information and intervention, mentoring, or outreach program, as recognized by the State agency administering activities under this section.

(B) Is receiving, or has received, an access and persistence grant under this section, in accordance with paragraph (5).

(4) GRANT AWARD.—Once a student, including a student who has received early notification under paragraph (2) from the State, applies for admission to an institution that is a partner in the partnership, files a Free Application for Federal Student Aid and any related State form, and is determined to be eligible by the State under paragraph (3), the State shall—

(A) issue the student a preliminary access and persistence grant award certificate with tentative award amounts; and

(B) inform the student that payment of the access and persistence grant award amounts is subject to certification of enrollment and award eligibility by the institution of higher education.

(5) DURATION OF AWARD.—An eligible student that receives an access and persistence grant under this section shall receive such grant award for each year of such student's undergraduate education in which the student remains eligible for assistance under this title, including pursuant to section 484(c), and remains financially eligible as determined by the State, except that the State may impose reasonable time limits to baccalaureate degree completion.

(e) ADMINISTRATIVE COST ALLOWANCE.—A State that receives an allotment under this section may reserve not more than 3.5 percent of the funds made available annually through the allotment for State administrative functions required to carry out this section.

(f) STATUTORY AND REGULATORY RELIEF FOR INSTITUTIONS OF HIGHER EDUCATION.—The Secretary may grant, upon the request of

an institution of higher education that is in a partnership described in subsection (b)(2)(B)(ii) and that receives an allotment under this section, a waiver for such institution from statutory or regulatory requirements that inhibit the ability of the institution to successfully and efficiently participate in the activities of the partnership.

(g) APPLICABILITY RULE.—The provisions of this subpart which are not inconsistent with this section shall apply to the program authorized by this section.

(h) MAINTENANCE OF EFFORT REQUIREMENT.—Each State receiving an allotment under this section for a fiscal year shall provide the Secretary an assurance that the aggregate amount expended per student or the aggregate expenditures by the State, from funds derived from non-Federal sources, for the authorized activities described in subsection (d) for the preceding fiscal year were not less than the amount expended per student or the aggregate expenditure by the State for such activities for the second preceding fiscal year.

(i) SPECIAL RULE.—Notwithstanding subsection (h), for purposes of determining a State's share of the cost of the authorized activities described in subsection (d), the State shall consider only those expenditures from non-Federal sources that exceed its total expenditures for need-based grants, scholarships, and work-study assistance for fiscal year 1999 (including any such assistance provided under this subpart).

(j) REPORTS.—Not later than 3 years after the date of enactment of the College Opportunity and Affordability Act of 2007, and annually thereafter, the Secretary shall submit a report describing the activities and the impact of the partnerships under this section to the authorizing committees.

* * * * * * *

SUBPART 5—SPECIAL PROGRAMS FOR STUDENTS WHOSE FAMILIES ARE ENGAGED IN MIGRANT AND SEASONAL FARMWORK

SEC. 418A. MAINTENANCE AND EXPANSION OF EXISTING PROGRAMS.

(a) * * *

(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) * * *

(B)(i) who themselves, or whose [parents] *immediate family*, have spent a minimum of 75 days during the past 24 months in migrant and seasonal farmwork; or

* * * * * * *

(3) supportive services which include the following:

(A) * * *

(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

* * * * * * *

(5) [weekly] stipends for high school equivalency program participants;

* * * * * * *

(7) exposure to cultural events, academic programs, and other educational and cultural activities usually not available to migrant youth; [and]

(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 [parents] *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 such part's predecessor authority) or section 402 of the Job Training Partnership Act or section 167 of the Workforce Investment Act of 1998, 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, [and career] *career, and economic education or personal finance* counseling as an ongoing part of the program;

* * * * * * *

(E) exposure to cultural events, academic programs, and other activities not usually available to migrant youth; [and]

(F) internships; and

[(F)] *(G)* other [support services] *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; [and]

(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 2-year institutions of higher education, encouraging the students to transfer to 4-year institu-

tions of higher education, where appropriate, and monitoring the rate of transfer of such students.

* * * * * * *

(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)(1)**]** *section 402A(c)(2)*.

(f) MINIMUM ALLOCATIONS.—The Secretary shall not allocate an amount less than—

(1) **[**$150,000**]** *$180,000* for each project under the high school equivalency program, and

(2) **[**$150,000**]** *$180,000* for each project under the college assistance migrant program.

(g) RESERVATION OF FUNDS.—From the amounts made available under subsection (i), the Secretary may reserve not more than a total of one-half of 1 percent for outreach activities, technical assistance, and professional development programs relating to the programs under subsection (a).

(h) DATA COLLECTION.—The Commissioner for Education Statistics 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;

(2) not less often than once every 2 years, prepare and submit to the authorizing committees a report based on the most recently available data under paragraph (1) to the authorizing committees; and

(3) make such report available to the public.

[(g) DATA COLLECTION.—The National Center for Education Statistics shall collect postsecondary education data on migrant students.**]**

[(h)**]** *(i)* AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated for the high school equivalency program **[**$15,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years.**]** *such sums as may be necessary for fiscal year 2009 and each of the 4 succeeding fiscal years.*

(2) There are authorized to be appropriated for the college assistance migrant program **[**$5,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years.**]** *such sums for fiscal year 2009 and each of the 4 succeeding fiscal years.*

* * * * * * *

[SUBPART 6—ROBERT C. BYRD HONORS SCHOLARSHIP PROGRAM

[SEC. 419A. STATEMENT OF PURPOSE.

[It is the purpose of this subpart to establish a Robert C. Byrd Honors Scholarship Program to promote student excellence and achievement and to recognize exceptionally able students who show promise of continued excellence.

[SEC. 419C. SCHOLARSHIPS AUTHORIZED.

[(a) PROGRAM AUTHORITY.—The Secretary is authorized, in accordance with the provisions of this subpart, to make grants to States to enable the States to award scholarships to individuals who have demonstrated outstanding academic achievement and who show promise of continued academic achievement.

[(b) PERIOD OF AWARD.—Scholarships under this section shall be awarded for a period of not less than 1 or more than 4 years during the first 4 years of study at any institution of higher education eligible to participate in any programs assisted under this title. The State educational agency administering the program in a State shall have discretion to determine the period of the award (within the limits specified in the preceding sentence), except that—

[(1) if the amount appropriated for this subpart for any fiscal year exceeds the amount appropriated for this subpart for fiscal year 1993, the Secretary shall identify to each State educational agency the number of scholarships available to that State under section 419D(b) that are attributable to such excess;

[(2) the State educational agency shall award not less than that number of scholarships for a period of 4 years.

[(c) USE AT ANY INSTITUTION PERMITTED.—A student awarded a scholarship under this subpart may attend any institution of higher education.

[(d) BYRD SCHOLARS.—Individuals awarded scholarships under this subpart shall be known as "Byrd Scholars".

[SEC. 419D. ALLOCATION AMONG STATES.

[(a) ALLOCATION FORMULA.—From the sums appropriated pursuant to the authority of section 419K for any fiscal year, the Secretary shall allocate to each State that has an agreement under section 419E an amount equal to $1,500 multiplied by the number of scholarships determined by the Secretary to be available to such State in accordance with subsection (b).

[(b) NUMBER OF SCHOLARSHIPS AVAILABLE.—The number of scholarships to be made available in a State for any fiscal year shall bear the same ratio to the number of scholarships made available to all States as the State's population ages 5 through 17 bears to the population ages 5 through 17 in all the States, except that not less than 10 scholarships shall be made available to any State.

[(c) USE OF CENSUS DATA.—For the purpose of this section, the population ages 5 through 17 in a State and in all the States shall be determined by the most recently available data, satisfactory to the Secretary, from the Bureau of the Census.

[(d) CONSOLIDATION BY INSULAR AREAS PROHIBITED.—Notwithstanding section 501 of Public Law 95–1134 (48 U.S.C. 1469a), funds allocated under this part to an Insular Area described in that section shall be deemed to be direct payments to classes of individuals, and the Insular Area may not consolidate such funds with

other funds received by the Insular Area from any department or agency of the United States Government.

[(e) FAS ELIGIBILITY.—

[(1) FISCAL YEARS 2000 THROUGH 2004.—Notwithstanding any other provision of this subpart, in the case of students from the Freely Associated States who may be selected to receive a scholarship under this subpart for the first time for any of the fiscal years 2000 through 2004—

[(A) there shall be 10 scholarships in the aggregate awarded to such students for each of the fiscal years 2000 through 2004; and

[(B) the Pacific Regional Educational Laboratory shall administer the program under this subpart in the case of scholarships for students in the Freely Associated States.

[(2) TERMINATION OF ELIGIBILITY.—A student from the Freely Associated States shall not be eligible to receive a scholarship under this subpart after September 30, 2004.

[SEC. 419E. AGREEMENTS.

[The Secretary shall enter into an agreement with each State desiring to participate in the scholarship program authorized by this subpart. Each such agreement shall include provisions designed to assure that—

[(1) the State educational agency will administer the scholarship program authorized by this subpart in the State;

[(2) the State educational agency will comply with the eligibility and selection provisions of this subpart;

[(3) the State educational agency will conduct outreach activities to publicize the availability of scholarships under this subpart to all eligible students in the State, with particular emphasis on activities designed to assure that students from low-income and moderate-income families have access to the information on the opportunity for full participation in the scholarship program authorized by this subpart; and

[(4) the State educational agency will pay to each individual in the State who is awarded a scholarship under this subpart $1,500.

[SEC. 419F. ELIGIBILITY OF SCHOLARS.

[(a) HIGH SCHOOL GRADUATION OR EQUIVALENT AND ADMISSION TO INSTITUTION REQUIRED.—Each student awarded a scholarship under this subpart shall be a graduate of a public or private secondary school or have the equivalent of a certificate of graduation as recognized by the State in which the student resides and must have been admitted for enrollment at an institution of higher education.

[(b) SELECTION BASED ON PROMISE OF ACADEMIC ACHIEVEMENT.—Each student awarded a scholarship under this subpart must demonstrate outstanding academic achievement and show promise of continued academic achievement.

[SEC. 419G. SELECTION OF SCHOLARS.

[(a) ESTABLISHMENT OF CRITERIA.—The State educational agency is authorized to establish the criteria for the selection of scholars under this subpart.

[(b) ADOPTION OF PROCEDURES.—The State educational agency shall adopt selection procedures designed to ensure an equitable

geographic distribution of awards within the State (and in the case of the Federated States of Micronesia, the Republic of the Marshall Islands, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, or Palau (until such time as the Compact of Free Association is ratified), not to exceed 10 individuals will be selected from such entities).

[(c) CONSULTATION REQUIREMENT.—In carrying out its responsibilities under subsections (a) and (b), the State educational agency shall consult with school administrators, school boards, teachers, counselors, and parents.

[(d) TIMING OF SELECTION.—The selection process shall be completed, and the awards made, prior to the end of each secondary school academic year.

[SEC. 419H. STIPENDS AND SCHOLARSHIP CONDITIONS.

[(a) AMOUNT OF AWARD.—Each student awarded a scholarship under this subpart shall receive a stipend of $1,500 for the academic year of study for which the scholarship is awarded, except that in no case shall the total amount of financial aid awarded to such student exceed such student's total cost-of-attendance.

[(b) USE OF AWARD.—The State educational agency shall establish procedures to assure that a scholar awarded a scholarship under this subpart pursues a course of study at an institution of higher education.

[SEC. 419J. CONSTRUCTION OF NEEDS PROVISIONS.

[Except as provided in section 471, nothing in this subpart, or any other Act, shall be construed to permit the receipt of a scholarship under this subpart to be counted for any needs test in connection with the awarding of any grant or the making of any loan under this Act or any other provision of Federal law relating to educational assistance.

[SEC. 419K. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated for this subpart $45,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years.]

Subpart 6—Robert C. Byrd American Competitiveness Program

SEC. 419A. ROBERT C. BYRD MATHEMATICS AND SCIENCE HONORS SCHOLARSHIP PROGRAM.

(a) PURPOSE.—The purpose of this section is to award scholarships to students who are enrolled in studies leading to baccalaureate and advanced degrees in physical, life, or computer sciences, mathematics, or engineering.

(b) DEFINITIONS.—As used in this section—

(1) the term "computer science" means the branch of knowledge or study of computers, including such fields of knowledge or study as computer hardware, computer software, computer engineering, information systems, and robotics;

(2) the term "eligible student" means a student who—

(A) is a citizen of the United States;

(B) is selected by the managing agent to receive a scholarship;

(C) is enrolled full-time in an institution of higher education, other than a United States service academy; and

(D) has shown a commitment to and is pursuing a major in studies leading to a baccalaureate, masters, or doctoral degree (or a combination thereof) in physical, life, or computer sciences, mathematics, or engineering;

(3) the term "engineering" means the science by which the properties of matter and the sources of energy in nature are made useful to humanity in structures, machines, and products, as in the construction of engines, bridges, buildings, mines, and chemical plants, including such fields of knowledge or study as aeronautical engineering, chemical engineering, civil engineering, electrical engineering, industrial engineering, materials engineering, manufacturing engineering, and mechanical engineering;

(4) the term "life sciences" means the branch of knowledge or study of living things, including such fields of knowledge or study as biology, biochemistry, biophysics, microbiology, genetics, physiology, botany, zoology, ecology, and behavioral biology, except that the term does not encompass social psychology or the health professions;

(5) the term "managing agent" means an entity to which an award is made under subsection (c) to manage a program of Mathematics and Science Honors Scholarships;

(6) the term "mathematics" means the branch of knowledge or study of numbers and the systematic treatment of magnitude, relationships between figures and forms, and relations between quantities expressed symbolically, including such fields of knowledge or study as statistics, applied mathematics, and operations research; and

(7) the term "physical sciences" means the branch of knowledge or study of the material universe, including such fields of knowledge or study as astronomy, atmospheric sciences, chemistry, earth sciences, ocean sciences, physics, and planetary sciences.

(c) AWARD.—

(1)(A) From funds appropriated under section 419F to carry out this section, the Secretary is authorized, through a grant or cooperative agreement, to make an award to a private, non-profit organization, other than an institution of higher education or system of institutions of higher education, to manage, through a public and private partnership, a program of Mathematics and Science Honors Scholarships under this section.

(B) The award under subparagraph (A) shall be for a five-year period.

(2)(A) One hundred percent of the funds awarded under paragraph (1)(A) for any fiscal year shall be obligated and expended solely on scholarships to eligible students.

(B) No Federal funds shall be used to provide more than 50 percent of the cost of any scholarship to an eligible student.

(C) The maximum scholarship award shall be the difference between an eligible student's cost of attendance minus any non-loan based aid such student receives.

(3)(A) The Secretary may establish—

(i) eligibility criteria for applicants for managing agent, including criteria regarding financial and administrative capability; and

(ii) operational standards for the managing agent, including management and performance requirements, such as audit, recordkeeping, record retention, and reporting procedures and requirements.

(B) The Secretary, as necessary, may review and revise any criteria, standards, and rules established under this paragraph and, through the agreement with the managing agent, see that any revisions are implemented.

(4) If the managing agent fails to meet the requirements of this section the Secretary may terminate the award to the managing agent.

(5) The Secretary shall conduct outreach efforts to help raise awareness of the Mathematics and Science Honors Scholarships.

(d) DUTIES OF THE MANAGING AGENT.—The managing agent shall—

(1) develop criteria to award Mathematics and Science Honors Scholarships based on established measurements available to secondary students who wish to pursue degrees in physical, life, or computer sciences, mathematics, or engineering;

(2) establish a Mathematics and Science Honors Scholarship Fund in a separate, named account that clearly discloses the amount of Federal and non-Federal funds deposited in the account and used for scholarships under this section;

(3) solicit funds for scholarships and for the administration of the program from non-Federal sources;

(4) solicit applicants for scholarships;

(5) from the amounts in the Fund, award scholarships to eligible students and transfer such funds to the institutions of higher education that they attend;

(6) annually submit to the Secretary a financial audit and a report on the progress of the program, and such other documents as the Secretary may require to determine the effective management of the program; and

(7) shall not develop a criteria that discriminates against a student based on the type of program in which the student completed his or her secondary education.

(e) APPLICATIONS.—

(1) Any eligible entity that desires to be the managing agent under this section shall submit an application to the Secretary, in such form and containing such information, as the Secretary may require.

(2) Each application shall include a description of—

(A) how the applicant meets or will meet requirements established under subsections (c)(3)(A) and (d);

(B) how the applicant will solicit funds for scholarships and for the administration of the program from non-Federal sources;

(C) how the applicant will provide nationwide outreach to inform students about the program and to encourage students to pursue degrees in physical, life, or computer sciences, mathematics, or engineering;

(D) how the applicant will solicit applications for scholarships, including how the applicant will balance efforts in urban and rural areas;

(E) the selection criteria based on established measurements available to secondary students the applicant will use to award scholarships and to renew those awards;

(F) how the applicant will inform the institution of higher education chosen by the recipient of the name and scholarship amount of the recipient;

(G) what procedures and assurances the applicant and the institution of higher education that the recipient attends will use to verify student eligibility, attendance, degree progress, and academic performance and to deliver and account for payments to such institution;

(H) the management (including audit and accounting) procedures the applicant will use for the program;

(I) the human, financial, and other resources that the applicant will need and use to manage the program;

(J) how the applicant will evaluate the program and report to the Secretary annually; and

(K) a description of how the entity will coordinate with, complement, and build on similar public and private mathematics and science programs.

(f) SCHOLARSHIP RECIPIENTS.—

(1) A student receiving a scholarship under this section shall be known as a Byrd Mathematics and Science Honors Scholar.

(2) Any student desiring to receive a scholarship under this section shall submit an application to the managing agent in such form, and containing such information, as the managing agent may require.

(3) Any student that receives a scholarship under this section shall enter into an agreement with the managing agent to complete 5 consecutive years of service to begin no later than 12 months following completion of the final degree in a position related to the field in which the student obtained the degree.

(4) If any student that receives a scholarship under this section fails to earn at least a baccalaureate degree in physical, life, or computer sciences, mathematics, or engineering as defined under this section, the student shall repay to the managing agent the amount of any financial assistance paid to such student.

(5) If any student that receives a scholarship under this section fails to meet the requirements of paragraph (3), the student shall repay to the managing agent the amount of any financial assistance paid to such student.

(6)(A) Scholarships shall be awarded for only one academic year of study at a time.

(B)(i) A scholarship shall be renewable on an annual basis for the established length of the academic program if the student awarded the scholarship remains eligible.

(ii) The managing agent may condition renewal of a scholarship on measures of academic progress and achievement, with the approval of the Secretary.

(C)(i) If a student fails to either remain eligible or meet established measures of academic progress and achievement, the

managing agent shall instruct the student's institution of higher education to suspend payment of the student's scholarship.

(ii) A suspension of payment shall remain in effect until the student is able to demonstrate to the satisfaction of the managing agent that he or she is again eligible and meets the established measures of academic progress and achievement.

(iii) A student's eligibility for a scholarship shall be terminated if a suspension period exceeds 12 months.

(D)(i)(I) A student awarded a scholarship may, in a manner and under the terms established by, and with the approval of, the managing agent, postpone or interrupt his or her enrollment at an institution of higher education for up to 12 months.

(II) Such a postponement or interruption shall not be considered a suspension for purposes of subparagraph (C).

(ii) Neither a student nor the student's institution of higher education shall receive the student's scholarship payments during the period of postponement or interruption, but such payments shall resume upon enrollment or reenrollment.

(iii) In exceptional circumstances, such as serious injury or illness or the necessity to care for family members, the student's postponement or interruption may, upon notification and approval of the managing agent, be extended beyond the 12 month period described in clause (i)(I).

(g) RESPONSIBILITIES OF INSTITUTION OF HIGHER EDUCATION.—

(1) The managing agent shall require any institution of higher education that enrolls a student who receives a scholarship under this section to annually provide an assurance, prior to making any payment, that the student—

(A) is eligible in accordance with subsection (b)(2); and

(B) has provided the institution with a written commitment to attend, or is attending, classes and is satisfactorily meeting the institution's academic criteria for enrollment in its program of study.

(2)(A) The managing agent shall provide the institution of higher education with payments from the Fund for selected recipients in at least two installments.

(B) If a recipient declines a scholarship, does not attend courses, transfers to another institution of higher education, or becomes ineligible for a scholarship, an institution of higher education shall return prorated amounts of any scholarship payment to that recipient to the managing agent, who shall deposit it in to the Fund.

SEC. 419B. MATHEMATICS AND SCIENCE INCENTIVE PROGRAM.

(a) PROGRAM.—

(1) IN GENERAL.—The Secretary is authorized to carry out a program of assuming the obligation to pay, pursuant to the provisions of this section, the interest on a loan made, insured, or guaranteed under part B or D of this title.

(2) ELIGIBILITY.—The Secretary may assume interest payments under paragraph (1) only for a borrower who—

(A) has submitted an application in compliance with subsection (d);

(B) obtained one or more loans described in paragraph (1) as an undergraduate student;

(C) is a new borrower (within the meaning of section 103(7) of this Act) on or after the date of enactment of the College Opportunity and Affordability Act of 2007;

(D) is a highly qualified teacher (as defined in section 9101 of the Elementary and Secondary Education Act of 1965) of science, technology, engineering or mathematics at an elementary or secondary school in a high need local educational agency, or is a mathematics, science, or engineering professional; and

(E) enters into an agreement with the Secretary to complete 5 consecutive years of service in a position described in subparagraph (D), starting on the date of the agreement.

(3) PRIOR INTEREST LIMITATIONS.—The Secretary shall not make any payments for interest that—

(A) accrues prior to the beginning of the repayment period on a loan in the case of a loan made under section 428H or a Federal Direct Unsubsidized Stafford Loan; or

(B) has accrued prior to the signing of an agreement under paragraph (2)(E).

(4) INITIAL SELECTION.—In selecting participants for the program under this section, the Secretary—

(A) shall choose among eligible applicants on the basis of—

(i) the national security, homeland security, and economic security needs of the United States, as determined by the Secretary, in consultation with other Federal agencies, including the Departments of Labor, Defense, Homeland Security, Commerce, and Energy, the Central Intelligence Agency, and the National Science Foundation; and

(ii) the academic record or job performance of the applicant; and

(B) may choose among eligible applicants on the basis of—

(i) the likelihood of the applicant to complete the 5-year service obligation;

(ii) the likelihood of the applicant to remain in science, mathematics, or engineering after the completion of the service requirement; or

(iii) other relevant criteria determined by the Secretary.

(5) AVAILABILITY SUBJECT TO APPROPRIATIONS.—Loan interest payments under this section shall be subject to the availability of appropriations. If the amount appropriated for any fiscal year is not sufficient to provide interest payments on behalf of all qualified applicants, the Secretary shall give priority to those individuals on whose behalf interest payments were made during the preceding fiscal year.

(6) REGULATIONS.—The Secretary is authorized to prescribe such regulations as may be necessary to carry out the provisions of this section.

(b) DURATION AND AMOUNT OF INTEREST PAYMENTS.—The period during which the Secretary shall pay interest on behalf of a student borrower who is selected under subsection (a) is the period that begins on the effective date of the agreement under subsection

(a)(2)(E), continues after successful completion of the service obligation, and ends on the earlier of—

(1) the completion of the repayment period of the loan;

(2) payment by the Secretary of a total of $5,000 on behalf of the borrower;

(3) if the borrower ceases to fulfill the service obligation under such agreement prior to the end of the 5-year period, as soon as the borrower is determined to have ceased to fulfill such obligation in accordance with regulations of the Secretary; or

(4) 6 months after the end of any calendar year in which the borrower's gross income equals or exceeds 4 times the national per capita disposable personal income (current dollars) for such calendar year, as determined on the basis of the National Income and Product Accounts Tables of the Bureau of Economic Analysis of the Department of Commerce, as determined in accordance with regulations prescribed by the Secretary.

(c) REPAYMENT TO ELIGIBLE LENDERS.—Subject to the regulations prescribed by the Secretary by regulation under subsection (a)(6), the Secretary shall pay to each eligible lender or holder for each payment period the amount of the interest that accrues on a loan of a student borrower who is selected under subsection (a).

(d) APPLICATION FOR REPAYMENT.—

(1) IN GENERAL.—Each eligible individual desiring loan interest payment under this section shall submit a complete and accurate application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(2) FAILURE TO COMPLETE SERVICE AGREEMENT.—Such application shall contain an agreement by the individual that, if the individual fails to complete the 5 consecutive years of service required by subsection (a)(2)(E), the individual agrees to repay the Secretary the amount of any interest paid by the Secretary on behalf of the individual.

(e) TREATMENT OF CONSOLIDATION LOANS.—A consolidation loan made under section 428C of this Act, or a Federal Direct Consolidation Loan made under part D of title IV of this Act, may be a qualified loan for the purpose of this section only to the extent that such loan amount was used by a borrower who otherwise meets the requirements of this section to repay—

(1) a loan made under section 428 or 428H of this Act; or

(2) a Federal Direct Stafford Loan, or a Federal Direct Unsubsidized Stafford Loan, made under part D of title IV of this Act.

(f) PREVENTION OF DOUBLE BENEFITS.—No borrower may, for the same service, receive a benefit under both this section and—

(1) any loan forgiveness program under title IV of this Act; or

(2) subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12601 et seq.).

(g) DEFINITIONS.—As used in this section—

(1) the term "high need local educational agency" has the same meaning given such term in section 200; and

(2) the term "mathematics, science, or engineering professional" means a person who—

(A) holds a baccalaureate, masters, or doctoral degree (or a combination thereof) in science, mathematics, or engineering; and

(B) works in a field the Secretary determines is closely related to that degree, which shall include working as a professor at a two- or four-year institution of higher education.

SEC. 419C. FOREIGN LANGUAGE PARTNERSHIPS.

(a) PURPOSE.—The purpose of this section is to increase the number of highly qualified teachers in, and 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) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants to institutions of higher education, in partnership with one or more local educational agencies, to establish teacher preparation programs in critical foreign languages, and activities that will enable successful students to advance from elementary school through college to achieve proficiency in those languages.

(c) APPLICATIONS.—

(1) APPLICATION REQUIRED.—Any institution of higher education that desires 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 may require.

(2) CONTENTS.—Each Application shall—

(A) identify each local educational agency partner and describe each such partner's responsibilities (including how they will be involved in planning and implementing the program, what resources they will provide, and how they will ensure continuity of student progress from elementary school to the postsecondary level); and

(B) describe how the applicant will support and continue the program after the grant has expired, including how it will seek support from other sources, such as State and local government, foundations, and the private sector.

(d) USES OF FUNDS.—Funds awarded under this section shall be used to develop and implement programs consistent with the purpose of this section by carrying out one or more of the following activities:

(1) To recruit highly qualified teachers in critical foreign languages and professional development activities for such teachers at the elementary through high school level.

(2) To provide innovative opportunities for students that will allow for critical language learning, such as immersion environments, intensive study opportunities, internships, and distance learning.

(e) MATCHING REQUIREMENT.—Each grantee under this section shall provide, from non-Federal sources, an amount equal to 100 percent of the amount of the grant (in cash or in kind) to carry out the activities supported by the grant.

(f) EVALUATION.—The Secretary shall evaluate the activities funded under this section and report the results of the evaluation to the appropriate Committees of Congress.

SEC. 419D. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this subpart $50,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

Subpart 7—Child Care Access Means Parents in School

SEC. 419N. CHILD CARE ACCESS MEANS PARENTS IN SCHOOL.

(a) * * *

(b) PROGRAM AUTHORIZED.—

(1) * * *

(2) AMOUNT OF GRANTS.—

(A) * * *

(B) MINIMUM.—A grant under this section shall be awarded in an amount that is not less than [$10,000] *$30,000*.

* * * * * * *

(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] *$250,000*.

* * * * * * *

(7) DEFINITION OF LOW-INCOME STUDENT.—For the purpose of this section, the term "low-income student" means a student [who is eligible to receive] *whose income qualifies for eligibility for* a Federal Pell Grant for the fiscal year for which the determination is made.

(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.

* * * * * * *

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section [$45,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years.] *such sums as may be necessary for fiscal year 2009 and each of the 4 succeeding fiscal years.*

[Subpart 8—Learning Anytime Anywhere Partnerships

[SEC. 420D. FINDINGS.

[Congress makes the following findings:

[(1) The nature of postsecondary education delivery is changing, and new technology and other related innovations can provide promising education opportunities for individuals who are currently not being served, particularly for individuals without easy access to traditional campus-based postsecondary edu-

cation or for whom traditional courses are a poor match with education or training needs.

[(2) Individuals, including individuals seeking basic or technical skills or their first postsecondary experience, individuals with disabilities, dislocated workers, individuals making the transition from welfare-to-work, and individuals who are limited by time and place constraints can benefit from nontraditional, noncampus-based postsecondary education opportunities and appropriate support services.

[(3) The need for high-quality, nontraditional, technology-based education opportunities is great, as is the need for skill competency credentials and other measures of educational progress and attainment that are valid and widely accepted, but neither need is likely to be adequately addressed by the uncoordinated efforts of agencies and institutions acting independently and without assistance.

[(4) Partnerships, consisting of institutions of higher education, community organizations, or other public or private agencies or organizations, can coordinate and combine institutional resources—

[(A) to provide the needed variety of education options to students; and

[(B) to develop new means of ensuring accountability and quality for innovative education methods.

[SEC. 420E. PURPOSE; PROGRAM AUTHORIZED.

[(a) PURPOSE.—It is the purpose of this subpart to enhance the delivery, quality, and accountability of postsecondary education and career-oriented lifelong learning through technology and related innovations.

[(b) PROGRAM AUTHORIZED.—

[(1) GRANTS.—

[(A) IN GENERAL.—The Secretary may, from funds appropriated under section 420J make grants to, or enter into contracts or cooperative agreements with, eligible partnerships to carry out the authorized activities described in section 420G.

[(B) DURATION.—Grants under this subpart shall be awarded for periods that do not exceed 5 years.

[(2) DEFINITION OF ELIGIBLE PARTNERSHIP.—For purposes of this subpart, the term "eligible partnership" means a partnership consisting of 2 or more independent agencies, organizations, or institutions. The agencies, organizations, or institutions may include institutions of higher education, community organizations, and other public and private institutions, agencies, and organizations.

[SEC. 420F. APPLICATION.

[(a) REQUIREMENT.—An eligible partnership desiring to receive a grant under this subpart shall submit an application to the Secretary, in such form and containing such information, as the Secretary may require.

[(b) CONTENTS.—Each application shall include—

[(1) the name of each partner and a description of the responsibilities of the partner, including the designation of a nonprofit organization as the fiscal agent for the partnership;

[(2) a description of the need for the project, including a description of how the project will build on any existing services and activities;

[(3) a listing of human, financial (other than funds provided under this subpart), and other resources that each member of the partnership will contribute to the partnership, and a description of the efforts each member of the partnership will make in seeking additional resources; and

[(4) a description of how the project will operate, including how funds awarded under this subpart will be used to meet the purpose of this subpart.

[SEC. 420G. AUTHORIZED ACTIVITIES.

[Funds awarded to an eligible partnership under this subpart shall be used to—

[(1) develop and assess model distance learning programs or innovative educational software;

[(2) develop methodologies for the identification and measurement of skill competencies;

[(3) develop and assess innovative student support services; or

[(4) support other activities that are consistent with the purpose of this subpart.

[SEC. 420H. MATCHING REQUIREMENT.

[Federal funds shall provide not more than 50 percent of the cost of a project under this subpart. The non-Federal share of project costs may be in cash or in kind, fairly evaluated, including services, supplies, or equipment.

[SEC. 420I. PEER REVIEW.

[The Secretary shall use a peer review process to review applications under this subpart and to make recommendations for funding under this subpart to the Secretary.

[SEC. 420J. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated to carry out this subpart $10,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years.]

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) * * *

(B) is financially [sound] *responsible*;

* * * * * * *

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 and agreement in accordance with section 420N, and who qualifies under para-

graph (2) of section 420N(a), a TEACH Grant in the amount of $4,000 for each [academic year] *year* during which that teacher candidate is in attendance at the institution.

* * * * * * *

(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 [academic year] *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 student assistance] *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. [If, with respect to any teacher candidate for any academic year, it is determined that the amount of a TEACH Grant exceeds the cost of attendance for that year, the amount of the TEACH Grant shall be reduced until such grant does not exceed the cost of attendance at the eligible institution.]

* * * * * * *

SEC. 420P. PROGRAM EVALUATION.

The Secretary shall evaluate the effectiveness of TEACH grants with respect to the schools and students served by recipients of such grants. Such evaluation shall take into consideration information related to—

(1) the number of TEACH grant recipients;

(2) the gender, race, ethnicity, and age of such recipients;

(3) the degrees obtained by such recipients;

(4) 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;

(5) the duration of such service, including information related to whether recipients serve for more than the 4 years required under such section; and

(6) any other data necessary to conduct such evaluation.

PART B—FEDERAL FAMILY EDUCATION LOAN PROGRAM

* * * * * * *

SEC. 424. SCOPE AND DURATION OF FEDERAL LOAN INSURANCE PROGRAM.

(a) LIMITATIONS ON AMOUNTS OF LOANS COVERED BY FEDERAL INSURANCE.—The total principal amount of new loans made and installments paid pursuant to lines of credit (as defined in section

435) to students covered by Federal loan insurance under this part shall not exceed $2,000,000,000 for the period from July 1, 1976, to September 30, 1976, and for each of the succeeding fiscal years ending prior to October 1, [2012] *2013*. Thereafter, Federal loan insurance pursuant to this part may be granted only for loans made (or for loan installments paid pursuant to lines of credit) to enable students, who have obtained prior loans insured under this part, to continue or complete their educational program; but no insurance may be granted for any loan made or installment paid after September 30, [2016] *2017*.

* * * * * * *

SEC. 428. FEDERAL PAYMENTS TO REDUCE STUDENT INTEREST COSTS.

(a) FEDERAL INTEREST SUBSIDIES.—

(1) * * *

* * * * * * *

(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 September 30, [2012] *2013*, except that, in the case of a loan made or insured under a student loan or loan insurance program to enable a student who has obtained a prior loan made or insured under such program to continue his or her education program, such period shall end at the close of September 30, [2016] *2017*.

* * * * * * *

(c) GUARANTY AGREEMENTS FOR REIMBURSING LOSSES.—

(1) * * *

* * * * * * *

(9) GUARANTY AGENCY RESERVE LEVEL.—(A) * * *

* * * * * * *

(K) The Secretary, within 3 months after the end of each fiscal year, shall submit to the [House Committee on Education and the Workforce and the Senate Committee on Labor and Human Resources] *authorizing committees* a report specifying the Secretary's assessment of the fiscal soundness of the guaranty agency system.

* * * * * * *

(g) ACTION ON INSURANCE PROGRAM AND GUARANTY AGREEMENTS.—If a nonprofit private institution or organization—

(1) * * *

* * * * * * *

the Secretary shall consider and act upon such application within 180 days, and shall forthwith notify the [Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives] *authorizing committees* of his actions.

(k) INFORMATION ON DEFAULTS.—

(1) * * *

* * * * * * *

(4) STUDENT LOAN INFORMATION.—

(A) Notwithstanding any other provision of law or regulation, if requested by an institution of higher education or a third party servicer (as defined in section 481(c)) working on behalf of such institution to prevent student loan defaults for borrowers who currently attend or previously attended such institution, a lender, secondary market, holder, or guaranty agency shall provide, free of charge and in a timely and effective manner, any student loan information pertaining to loans made under this title to such borrowers maintained by that entity, provided that the information requested is for a borrower who currently attends or previously attended such institution.

(B) An institution and any third party servicer obtaining access to information under subparagraph (A) shall safeguard that information in order to prevent potential abuses of that information, including identity theft.

(C) Any third party servicer that obtains information under this paragraph—

(i) shall only use the information in a manner directly related to the default prevention work the servicer is performing on behalf of the institution of higher education;

(ii) shall not sell the information to other entities;

(iii) shall not share the information with, or transfer the information to, entities other than the borrower or the institution of higher education referenced in subparagraph (A); and

(iv) shall be subject to any regulations established by the Secretary pursuant to section 432 concerning the misuse of such information, including any penalties for such misuse.

* * * * * * *

(n) BLANKET CERTIFICATE OF LOAN GUARANTY.—

(1) * * *

* * * * * * *

(4) REPORT REQUIRED.—The Secretary shall, at the conclusion of the pilot program under paragraph (3), provide a report to the ⟦Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate⟧ *authorizing committees* on the impact of the blanket certificates of guaranty on program efficiency and integrity.

* * * * * * *

SEC. 428A. VOLUNTARY FLEXIBLE AGREEMENTS WITH GUARANTY AGENCIES.

(a) * * *

* * * * * * *

(c) PUBLIC NOTICE.—

(1) * * *

* * * * * * *

(2) AGREEMENT NOTICE.—The Secretary shall notify the [Chairperson and the Ranking Minority Member of the Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives] *members of the authorizing committees* not later than 30 days prior to concluding an agreement under this section. The notice shall contain—

(A) * * *

* * * * * * *

(3) WAIVER NOTICE.—The Secretary shall notify the [Chairperson and the Ranking Minority Member of the Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives] *members of the authorizing committees* not later than 30 days prior to the granting of a waiver pursuant to subsection (a)(2) to a guaranty agency that is not a party to a voluntary flexible agreement.

* * * * * * *

(5) MODIFICATION NOTICE.—The Secretary shall notify the [Chairperson and the Ranking Minority Members of the Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives] *members of the authorizing committees* 30 days prior to any modifications to an agreement under this section.

* * * * * * *

SEC. 428C. FEDERAL CONSOLIDATION LOANS.

(a) * * *

(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) * * *

* * * * * * *

(E) that the lender will disclose, in a clear and conspicuous manner, to borrowers who seek to consolidate loans made under part E of this title—

(i) that once the borrower adds a Federal Perkins Loan to a Federal Consolidation Loan, the borrower will lose all interest-free periods that would have been available, such as those when no interest accrues on the Federal Perkins Loan while the borrower is enrolled in school at least half-time, during the grace period, and during periods when the borrower's student loan repayments are deferred;

(ii) that the borrower will no longer be eligible for loan cancellation of Federal Perkins Loans under any provision of section 465; and

(iii) in detail the occupations listed in section 465 for which the borrower will lose eligibility for Federal Perkins Loan cancellation;

[(E)] *(F)* 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

[(F)] *(G)* such other terms and conditions as the Secretary or the guaranty agency may specifically require of the lender to carry out this section.

* * * * * * *

[SEC. 428K. LOAN FORGIVENESS FOR CHILD CARE PROVIDERS.

[(a) PURPOSE.—It is the purpose of this section—

[(1) to bring more highly trained individuals into the early child care profession; and

[(2) to keep more highly trained child care providers in the early child care field for longer periods of time.

[(b) DEFINITIONS.—In this section:

[(1) CHILD CARE FACILITY.—The term "child care facility" means a facility, including a home, that—

[(A) provides child care services; and

[(B) meets applicable State or local government licensing, certification, approval, or registration requirements, if any.

[(2) CHILD CARE SERVICES.—The term "child care services" means activities and services provided for the education and care of children from birth through age 5 by an individual who has a degree in early childhood education.

[(3) DEGREE.—The term "degree" means an associate's or bachelor's degree awarded by an institution of higher education.

[(4) EARLY CHILDHOOD EDUCATION.—The term "early childhood education" means education in the areas of early child education, child care, or any other educational area related to child care that the Secretary determines appropriate.

[(5) INSTITUTION OF HIGHER EDUCATION.—Notwithstanding section 102, the term "institution of higher education" has the meaning given the term in section 101.

[(c) DEMONSTRATION PROGRAM.—

[(1) IN GENERAL.—The Secretary may carry out a demonstration program of assuming the obligation to repay, pursuant to subsection (d), a loan made, insured, or guaranteed under this part or part D (excluding loans made under sections 428B and 428C or comparable loans made under part D) for any new borrower after the date of enactment of the Higher Education Amendments of 1998, who—

[(A) completes a degree in early childhood education;

[(B) obtains employment in a child care facility; and

[(C) has worked full time for the 2 consecutive years preceding the year for which the determination is made as a child care provider in a low-income community.

[(2) LOW-INCOME COMMUNITY.—For the purposes of this subsection, the term "low-income community" means a community

in which 70 percent of households within the community earn less than 85 percent of the State median household income.

[(3) AWARD BASIS; PRIORITY.—

[(A) AWARD BASIS.—Subject to subparagraph (B), loan repayment under this section shall be on a first-come, first-served basis and subject to the availability of appropriations.

[(B) PRIORITY.—The Secretary shall give priority in providing loan repayment under this section for a fiscal year to student borrowers who received loan repayment under this section for the preceding fiscal year.

[(4) REGULATIONS.—The Secretary is authorized to prescribe such regulations as may be necessary to carry out the provisions of this section.

[(d) LOAN REPAYMENT.—

[(1) IN GENERAL.—The Secretary shall assume the obligation to repay—

[(A) after the second consecutive year of employment described in subparagraphs (B) and (C) of subsection (c)(1), 20 percent of the total amount of all loans made after date of enactment of the Higher Education Amendments of 1998, to a student under this part or part D;

[(B) after the third consecutive year of such employment, 20 percent of the total amount of all such loans; and

[(C) after each of the fourth and fifth consecutive years of such employment, 30 percent of the total amount of all such loans.

[(2) CONSTRUCTION.—Nothing in this section shall be construed to authorize the refunding of any repayment of a loan made under this part or part D.

[(3) INTEREST.—If a portion of a loan is repaid by the Secretary under this section for any year, the proportionate amount of interest on such loan which accrues for such year shall be repaid by the Secretary.

[(4) SPECIAL RULE.—In the case where a student borrower who is not participating in loan repayment pursuant to this section returns to an institution of higher education after graduation from an institution of higher education for the purpose of obtaining a degree in early childhood education, the Secretary is authorized to assume the obligation to repay the total amount of loans made under this part or part D incurred for a maximum of two academic years in returning to an institution of higher education for the purpose of obtaining a degree in early childhood education. Such loans shall only be repaid for borrowers who qualify for loan repayment pursuant to the provisions of this section, and shall be repaid in accordance with the provisions of paragraph (1).

[(5) INELIGIBILITY OF NATIONAL SERVICE AWARD RECIPIENTS.—No student 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.).

[(e) REPAYMENT TO ELIGIBLE LENDERS.—The Secretary shall pay to each eligible lender or holder for each fiscal year an amount

equal to the aggregate amount of loans which are subject to repayment pursuant to this section for such year.

[(f) APPLICATION FOR REPAYMENT.—

[(1) IN GENERAL.—Each eligible individual desiring loan repayment under this section shall submit a complete and accurate application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

[(2) CONDITIONS.—An eligible individual may apply for loan repayment under this section after completing each year of qualifying employment. The borrower shall receive forbearance while engaged in qualifying employment unless the borrower is in deferment while so engaged.

[(g) EVALUATION.—

[(1) IN GENERAL.—The Secretary shall conduct, by grant or contract, an independent national evaluation of the impact of the demonstration program assisted under this section on the field of early childhood education.

[(2) COMPETITIVE BASIS.—The grant or contract described in subsection (b) shall be awarded on a competitive basis.

[(3) CONTENTS.—The evaluation described in this subsection shall—

[(A) determine the number of individuals who were encouraged by the demonstration program assisted under this section to pursue early childhood education;

[(B) determine the number of individuals who remain employed in a child care facility as a result of participation in the program;

[(C) identify the barriers to the effectiveness of the program;

[(D) assess the cost-effectiveness of the program in improving the quality of—

[(i) early childhood education; and

[(ii) child care services;

[(E) identify the reasons why participants in the program have chosen to take part in the program;

[(F) identify the number of individuals participating in the program who received an associate's degree and the number of such individuals who received a bachelor's degree; and

[(G) identify the number of years each individual participates in the program.

[(4) INTERIM AND FINAL EVALUATION REPORTS.—The Secretary shall prepare and submit to the President and the Congress such interim reports regarding the evaluation described in this subsection as the Secretary deems appropriate, and shall prepare and so submit a final report regarding the evaluation by January 1, 2002.

[(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $10,000,000 for fiscal year 1999, and such sums as may be necessary for each of the 4 succeeding fiscal years.]

SEC. 428K. LOAN FORGIVENESS FOR SERVICE IN AREAS OF NATIONAL NEED.

(a) PROGRAM AUTHORIZED.—

(1) LOAN FORGIVENESS AUTHORIZED.—The Secretary shall forgive, in accordance with this section, the student loan obligation of a borrower in the amount specified in subsection (c) who—

(A) is employed full-time in an area of national need described in subsection (b); and

(B) is not in default on a loan for which the borrower seeks forgiveness.

(2) METHOD OF LOAN FORGIVENESS.—To provide loan forgiveness under paragraph (1), the Secretary is authorized to carry out a program—

(A) through the holder of the loan, to assume the obligation to repay a qualified loan amount for a loan made, insured, or guaranteed under this part (other than an excepted PLUS loan (as such term is defined in section 493C(a))); and

(B) to cancel a qualified loan amount for a loan made under part D of this title (other than such an excepted PLUS loan).

(3) REGULATIONS.—The Secretary is authorized to issue such regulations as may be necessary to carry out the provisions of this section.

(b) AREAS OF NATIONAL NEED.—For purposes of this section, an individual shall be treated as employed in an area of national need if the individual is employed full-time as any of the following:

(1) EARLY CHILDHOOD EDUCATORS.—An individual who is employed as an early childhood educator in an eligible preschool program or eligible early childhood education program in a low-income community, and who is involved directly in the care, development, and education of infants, toddlers, or young children age 5 and under.

(2) NURSES.—An individual who is employed—

(A) as a nurse in a clinical setting; or

(B) as a member of the nursing faculty at an accredited school of nursing (as those terms are defined in section 801 of the Public Health Service Act (42 U.S.C. 296)).

(3) FOREIGN LANGUAGE SPECIALISTS.—An individual who has obtained a baccalaureate or advanced degree in a critical foreign language and is employed—

(A) in an elementary or secondary school as a teacher of a critical foreign language;

(B) in an agency of the United States Government in a position that regularly requires the use of such critical foreign language; or

(C) in an institution of higher education as a faculty member or instructor teaching a critical foreign language.

(4) LIBRARIANS.—An individual who is employed as a librarian in—

(A) a public library that serves a geographic area within which the public schools have a combined average of 30 percent or more of their total student enrollments composed of children counted under section 1113(a)(5) of the Elementary and Secondary Education Act of 1965; or

(B) a high-need school.

(5) HIGHLY QUALIFIED TEACHERS: SERVING STUDENTS WHO ARE LIMITED ENGLISH PROFICIENT, LOW-INCOME COMMUNITIES, AND UNDERREPRESENTED POPULATIONS.—An individual who—

(A) is highly qualified as such term is defined in section 9101 of the Elementary and Secondary Education Act of 1965; and

(B)(i) is employed as a teacher educating students who are limited English proficient;

(ii) is employed as a teacher in a high-need school; or

(iii) is an individual from an underrepresented population in the teaching profession, as determined by the Secretary.

(6) CHILD WELFARE WORKERS.—An individual who—

(A) has obtained a degree in social work or a related field with a focus on serving children and families; and

(B) is employed in public or private child welfare services.

(7) SPEECH-LANGUAGE PATHOLOGISTS.—An individual who is a speech-language pathologist, who is employed in an eligible preschool program or an elementary or secondary school, and who has, at a minimum, a graduate degree in speech-language pathology, or communication sciences and disorders.

(8) NATIONAL SERVICE.—An individual who is engaged as a participant in a project under the National and Community Service Act of 1990 (as such terms are defined in section 101 of such Act (42 U.S.C. 12511)).

(9) SCHOOL COUNSELORS.—An individual who is employed as a school counselor (as such term is defined in section 5421(e)(3) of Elementary and Secondary Education Act of 1965 (20 U.S.C. 7245(e)(3))) in a high-need school.

(10) PUBLIC SECTOR EMPLOYEES.—An individual who is employed in public safety (including as a first responder, firefighter, police officer, or other law enforcement or public safety officer), emergency management (including as an emergency medical technician), public health (including 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), or public interest legal services (including prosecution or public defense or legal advocacy in low-income communities at a nonprofit organization).

(11) NUTRITION PROFESSIONALS.—An individual who—

(A) is a licensed, certified, or registered dietician who has completed a degree in a relevant field; and

(B) has obtained employment in an agency of the special supplemental nutrition program for women, infants, and children under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).

(12) MEDICAL SPECIALISTS.—An individual who—

(A) has received his or her degree from an accredited medical school (as accredited by the Liaison Committee on Medical Education or as defined by this title IV); and

(B)(i) has been accepted to, or currently participates in, a graduate medical education training program or fellowship (or both) to provide health care services (as recognized

by the Accreditation Council for Graduate Medical Education); or

(ii) has been accepted to, or currently participates in, a graduate medical education program or fellowship (or both) to provide health care services that—

(I) requires more than 5 years of total graduate medical training; and

(II) has fewer United States medical school graduate applicants than the total number of training and fellowship positions available in the programs specified in subclause (I) of this clause.

(13) MENTAL HEALTH PROFESSIONALS.—Individuals who have at least a master's degree in social work, psychology, or psychiatry and who are providing mental health services to children, adolescents, or veterans.

(c) QUALIFIED LOAN AMOUNT.—At the end of each school, academic, or calendar year of full-time employment on or after the date of enactment of the College Opportunity and Affordability Act of 2007 in an area of national need described in subsection (b), not to exceed 5 years, the Secretary shall forgive not more than $2,000 of the student loan obligation of a borrower that is outstanding after the completion of each such school, academic, or calendar year of employment, as appropriate, not to exceed $10,000 in the aggregate for any borrower.

(d) PRIORITY.—The Secretary shall grant loan forgiveness under this section on a first-come, first-served basis, and subject to the availability of appropriations.

(e) CONSTRUCTION.—Nothing in this section shall be construed to authorize the refunding of any repayment of a loan.

(f) SEGAL AMERICORPS EDUCATION AWARD AND NATIONAL SERVICE AWARD RECIPIENTS.—A student borrower who qualifies for the maximum education award under subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12601 et seq.) shall receive under this section the amount, if any, by which the maximum benefit available under this section exceeds the maximum education award available under such subtitle.

(g) INELIGIBILITY FOR DOUBLE BENEFITS.—No borrower may receive a reduction of loan obligations under both this section and section 428J or 460.

(h) DEFINITIONS.—In this section:

(1) EARLY CHILDHOOD EDUCATOR.—The term "early childhood educator" means an early childhood educator who works directly with children in an eligible preschool program or eligible early childhood education program who has completed a baccalaureate or advanced degree in early childhood development, early childhood education, or in a field related to early childhood education.

(2) ELIGIBLE PRESCHOOL PROGRAM.—The term "eligible preschool program" means a program that provides for the care, development, and education of infants, toddlers, or young children age 5 and under, meets any applicable State or local government licensing, certification, approval, and registration requirements, and is operated by—

(A) a public or private school that is supported, sponsored, supervised, or administered by a local educational agency;

(B) a Head Start agency serving as a grantee designated under the Head Start Act (42 U.S.C. 9831 et seq.);

(C) a nonprofit or community based organization; or

(D) a child care program, including a home.

(3) ELIGIBLE EARLY CHILDHOOD EDUCATION PROGRAM.—The term "eligible early childhood education program" means—

(A) a family child care program, center-based child care program, State prekindergarten program, school program, or other out-of-home early childhood development care program, that—

(i) is licensed or regulated by the State; and

(ii) serves 2 or more unrelated children who are not old enough to attend kindergarten;

(B) a Head Start Program carried out under the Head Start Act (42 U.S.C. 9831 et seq.); or

(C) an Early Head Start Program carried out under section 645A of the Head Start Act (42 U.S.C. 9840a).

(4) LOW-INCOME COMMUNITY.—The term "low-income community" means a school attendance area (as defined in section 1113(a)(2)(A) of the Elementary and Secondary Education Act of 1965)—

(A) in which 70 percent of households earn less than 85 percent of the State median household income; or

(B) that includes a high-need school.

(5) NURSE.—The term "nurse" means a nurse who meets all of the following:

(A) The nurse graduated from—

(i) an accredited school of nursing (as those terms are defined in section 801 of the Public Health Service Act (42 U.S.C. 296));

(ii) a nursing center; or

(iii) an academic health center that provides nurse training.

(B) The nurse holds a valid and unrestricted license to practice nursing in the State in which the nurse practices in a clinical setting.

(C) The nurse holds one or more of the following:

(i) A graduate degree in nursing, or an equivalent degree.

(ii) A nursing degree from a collegiate school of nursing (as defined in section 801 of the Public Health Service Act (42 U.S.C. 296)).

(iii) A nursing degree from an associate degree school of nursing (as defined in section 801 of the Public Health Service Act (42 U.S.C. 296)).

(iv) A nursing degree from a diploma school of nursing (as defined in section 801 of the Public Health Service Act (42 U.S.C. 296)).

(6) SPEECH-LANGUAGE PATHOLOGIST.—The term "speech-language pathologist" means a speech-language pathologist who—

(A) has received, at a minimum, a graduate degree in speech-language pathology or communication sciences and

disorders from an institution of higher education accredited by an agency or association recognized by the Secretary pursuant to section 496(a) of this Act; and

(B) provides speech-language pathology services under section 1861(ll)(1) of the Social Security Act (42 U.S.C. 1395x(ll)(1)), or meets or exceeds the qualifications for a qualified speech-language pathologist under subsection (ll)(3) of such section (42 U.S.C. 1395x(ll)(3)).

(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 4 succeeding fiscal years to provide loan forgiveness in accordance with this section.

SEC. 428L. LOAN REPAYMENT FOR CIVIL LEGAL ASSISTANCE ATTORNEYS.

(a) PURPOSE.—The purpose of this section is to encourage qualified individuals to enter and continue employment as civil legal assistance attorneys.

(b) DEFINITIONS.—In this section:

(1) CIVIL LEGAL ASSISTANCE ATTORNEY.—The term "civil legal assistance attorney" means an attorney who—

(A) is a full-time employee of a nonprofit organization that provides legal assistance with respect to civil matters to low-income individuals without a fee;

(B) as such employee, provides civil legal assistance as described in subparagraph (A) on a full-time basis; and

(C) is continually licensed to practice law.

(2) STUDENT LOAN.—The term "student loan" means—

(A) subject to subparagraph (B), a loan made, insured, or guaranteed under part B, D, or E of this title; and

(B) a loan made under section 428C or 455(g), to the extent that such loan was used to repay—

(i) a Federal Direct Stafford Loan, a Federal Direct Unsubsidized Stafford Loan, or a Federal Direct PLUS Loan;

(ii) a loan made under section 428, 428B, or 428H; or

(iii) a loan made under part E.

(c) PROGRAM AUTHORIZED.—The Secretary shall carry out a program of assuming the obligation to repay a student loan, by direct payments on behalf of a borrower to the holder or the Secretary in the case of a loan under part D or E of such loan, in accordance with subsection (d), for any borrower who—

(1) is employed as a civil legal assistance attorney; and

(2) is not in default on a loan for which the borrower seeks repayment.

(d) TERMS OF AGREEMENT.—

(1) IN GENERAL.—To be eligible to receive repayment benefits under subsection (c), a borrower shall enter into a written agreement with the Secretary that specifies that—

(A) the borrower will remain employed as a civil legal assistance attorney for a required period of service of not less than 3 years, unless involuntarily separated from that employment;

(B) if the borrower is involuntarily separated from employment on account of misconduct, or voluntarily sepa-

rates from employment, before the end of the period specified in the agreement, the borrower will repay the Secretary the amount of any benefits received by such employee under this agreement;

(C) if the borrower is required to repay an amount to the Secretary under subparagraph (B) and fails to repay such amount, a sum equal to that amount shall be recoverable by the Federal Government from the employee by such methods as are provided by law for the recovery of amounts owed to the Federal Government;

(D) the Secretary may waive, in whole or in part, a right of recovery under this subsection if it is shown that recovery would be against equity and good conscience or against the public interest; and

(E) the Secretary shall make student loan payments under this section for the period of the agreement, subject to the availability of appropriations.

(2) REPAYMENTS.—

(A) IN GENERAL.—Any amount repaid by, or recovered from, an individual under this subsection shall be credited to the appropriation account from which the amount involved was originally paid.

(B) MERGER.—Any amount credited under subparagraph (A) shall be merged with other sums in such account and shall be available for the same purposes and period, and subject to the same limitations, if any, as the sums with which the amount was merged.

(3) LIMITATIONS.—

(A) STUDENT LOAN PAYMENT AMOUNT.—Student loan repayments made by the Secretary under this section shall be made subject to such terms, limitations, or conditions as may be mutually agreed upon by the borrower and the Secretary in an agreement under paragraph (1), except that the amount paid by the Secretary under this section shall not exceed—

(i) $6,000 for any borrower in any calendar year; or

(ii) an aggregate total of $40,000 in the case of any borrower.

(B) BEGINNING OF PAYMENTS.—Nothing in this section shall authorize the Secretary to pay any amount to reimburse a borrower for any repayments made by such borrower prior to the date on which the Secretary entered into an agreement with the borrower under this subsection.

(e) ADDITIONAL AGREEMENTS.—

(1) IN GENERAL.—On completion of the required period of service under an agreement under subsection (d), the borrower and the Secretary may, subject to paragraph (2), enter into an additional agreement in accordance with subsection (d).

(2) TERM.—An agreement entered into under paragraph (1) may specify that, notwithstanding subsection (d)(1)(A), the required period of service during which the borrower will remain employed as a civil legal assistance attorney may be less than 3 years.

(f) AWARD BASIS; PRIORITY.—

(1) AWARD BASIS.—Subject to paragraph (2), the Secretary shall provide repayment benefits under this section on a first-come, first-served basis, and subject to the availability of appropriations.

(2) PRIORITY.—The Secretary shall give priority in providing repayment benefits under this section in any fiscal year to a borrower who—

(A) has practiced law for 5 years or less and, for at least 90 percent of the time in such practice, has served as a civil legal assistance attorney;

(B) received repayment benefits under this section during the preceding fiscal year; and

(C) has completed less than 3 years of the first required period of service specified for the borrower in an agreement entered into under subsection (d).

(g) REGULATIONS.—The Secretary is authorized to issue such regulations as may be necessary to carry out the provisions of this section.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $10,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

* * * * * * *

SEC. 432. LEGAL POWERS AND RESPONSIBILITIES.

(a) * * *

(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 1078 of this title, 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 Act that exceeds $1,000,000 unless the Secretary has asked the Attorney General to review the settlement agreement and issue an opinion to the Secretary and the authorizing committees related to such proposed settlement.*

* * * * * * *

(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) * * *

* * * * * * *

(C) a representative sample of eligible lenders under this part, upon the request of [the Committee on Education and the Workforce of the House of Representatives or the Committee on Labor and Human Resources of the Senate] *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.

* * * * * * *

(n) DEFAULT REDUCTION MANAGEMENT.—

(1) * * *

* * * * * * *

(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) * * *

* * * * * * *

This report shall be submitted to the Appropriations Committees of the House of Representatives and the Senate and to the ⟦Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate⟧ *authorizing committees*.

* * * * * * *

SEC. 433A. DELINQUENCY PREVENTION, DEFAULT AVERSION, AND CONSUMER EDUCATION INFORMATION PROGRAMS.

(a) GUARANTY AGENCY DUTY.—Each guaranty agency, with respect to loans insured by the agency, shall develop specific programs designed to prevent delinquencies and avert defaults.

(b) TRAINING FOR STUDENTS AND FAMILIES.—Each guaranty agency, after consulting with institutions of higher education (including institutions of higher education participating in the William Ford Direct Loan Program), shall develop and make available high quality educational programs and materials to provide training for students and families in budgeting and financial management, including debt management and other aspects of financial literacy, such as the cost of using high interest loans to pay for postsecondary education. Such programs and materials shall address budgeting and financial management relating to student loans, and shall be made available to students and families, in a form and language that is understandable, before, during, and after the students' enrollment.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit a guaranty agency from using existing activities, programs, and materials in meeting the requirements of this section.

* * * * * * *

SEC. 435. DEFINITIONS FOR STUDENT LOAN INSURANCE PROGRAM.

As used in this part:

(a) * * *

* * * * * * *

(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) * * *

(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, or (III)] *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(1) 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 with assets of less than $1,000,000,000*;

* * * * * * *

(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 following fiscal year] *beginning of the third 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.

* * * * * * *

(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 fiscal year immediately following the year in which they entered repayment] *beginning of the third fiscal year following the year in which they entered repayment*.

(2) SPECIAL RULES.—(A) * * *

* * * * * * *

(C) Any loan which has been rehabilitated before the [end of such following fiscal year is not considered as in default for the purposes of this subsection] *beginning of the third 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 following fiscal year, and (ii) a guaranty agency has renewed the borrower's title IV eligibility as provided in section 428F(b).

* * * * * * *

(4) [COLLECTION AND REPORTING OF COHORT DEFAULT RATES.—(A) The Secretary shall collect data from all insurers under this part and shall publish not less often than once every fiscal year a report showing default data for each category of institution, including (i) 4-year public institutions, (ii) 4-year private institutions, (iii) 2-year public institutions, (iv) 2-year private institutions, (v) 4-year proprietary institutions, (vi) 2-year proprietary institutions, and (vii) less than 2-year proprietary institutions.] *COLLECTION AND REPORTING OF COHORT DEFAULT RATES AND LIFE OF COHORT DEFAULT RATES.—*

(A) The Secretary shall collect data from all insurers under this part and shall publish not less often than once every fiscal year a report showing cohort default data and life of cohort default data for each category of institution, including (i) 4-year public institutions, (ii) 4-year private nonprofit institutions, (iii) 2-year public institutions, (iv) 2-year private institutions, (v) 4-year proprietary institutions, (vi) 2-year proprietary institutions, and (vii) less than 2-year proprietary institutions. For purposes of this subparagraph, the life of cohort default rate means, for any fiscal year in which 1 or more current and former students at an 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 the institution in that fiscal year who default before the end of each succeeding fiscal year.

* * * * * * *

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.—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), then the Secretary shall discharge the borrower's liability on the loan by repaying the amount owed on the loan. *A borrower who receives a permanent total disability rating from the Secretary of Veterans Affairs, and who provides documentation of such rating 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.*

* * * * * * *

(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 ❚Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate❚ *authorizing committees* annually as to the dollar amount of loan discharges attributable to failures to make refunds.

* * * * * * *

SEC. 439. STUDENT LOAN MARKETING ASSOCIATION.

(a) * * *

* * * * * * *

(d) AUTHORITY OF ASSOCIATION.—

(1) IN GENERAL.—The Association is authorized, subject to the provisions of this section—

(A) * * *

* * * * * * *

(E) to undertake any other activity which the Board of Directors of the Association determines to be in furtherance of the programs of insured student loans authorized under this part or will otherwise support the credit needs of students, except that—

(i) * * *

* * * * * * *

(iii) not later than 30 days prior to the initial implementation of a program undertaken pursuant to this subparagraph (E), the Association shall [advise the Chairman and the Ranking Member on the Committee on Labor and Human Resources of the Senate and the Chairman and the Ranking Member of the Committee on Education and Labor of the House of Representatives] *advise the members of the authorizing committees* in writing of its plans to offer such program and shall provide information relating to the general terms and conditions of such program.

* * * * * * *

(r) SAFETY AND SOUNDNESS OF ASSOCIATION.—

(1) * * *

* * * * * * *

(3) MONITORING OF SAFETY AND SOUNDNESS.—The Secretary of the Treasury shall conduct such studies as may be necessary to monitor the financial safety and soundness of the Association. In the event that the Secretary of the Treasury determines that the financial safety and soundness of the Association is at risk, the Secretary of the Treasury shall [inform the Chairman and ranking minority member of the Committee on Labor and Human Resources of the Senate, the Chairman and ranking minority member of the Committee on Education and Labor of the House of Representatives,] *inform the members of the authorizing committees* and the Secretary of Education of such determination and identify any corrective actions that should be taken to ensure the safety and soundness of the Association.

* * * * * * *

(5) CAPITAL RESTORATION PLAN.—

(A) * * *

(B) DISAPPROVAL.—If the Secretary of the Treasury does not approve a capital restoration plan as provided in subparagraph (A), then not later than the earlier of the date the Secretary of the Treasury disapproves of such plan by written notice to the Association or the expiration of the 30-day consideration period referred to in subparagraph (A) (as such period may have been extended by mutual agreement), the Secretary of the Treasury shall submit the Association's capital restoration plan, in the form most recently proposed to the Secretary of the Treasury by the Association, together with a report on the Secretary of the Treasury's reasons for disapproval of such plan and an alternative capital restoration [plan, to the Chairman and ranking minority member of the Senate Committee on

Labor and Human Resources and to the Chairman and ranking minority member of the House Committee on Education and Labor] *plan, to the members of the authorizing committees*. A copy of such submission simultaneously shall be sent to the Association and the Secretary of Education by the Secretary of the Treasury.

* * * * * * *

(6) SUBSTANTIAL CAPITAL RATIO REDUCTION.—

(A) * * *

(B) DISAPPROVAL.—If the Secretary of the Treasury disapproves a capital restoration plan or modified plan submitted pursuant to subparagraph (A), then, not later than the earlier of the date the Secretary of the Treasury disapproves of such plan or modified plan (by written notice to the Association) or the expiration of the 30-day consideration period described in subparagraph (A) (as such period may have been extended by mutual agreement), the Secretary of the Treasury shall prepare and submit an alternative capital restoration plan, together with a report on his reasons for disapproval of the Association's plan or modified [plan, to the Chairman and ranking minority member of the Committee on Labor and Human Resources of the Senate and to the Chairman and ranking minority member of the Committee on Education and Labor of the House of Representatives] *plan, to the members of the authorizing committees*. A copy of such submission simultaneously shall be sent to the Association and the Secretary of Education by the Secretary of the Treasury. The Association, within 5 days after receipt from the Secretary of the Treasury of such submission, shall submit to the [Chairmen and ranking minority members of such Committees] *members of the authorizing committees*, and the Secretary of the Treasury, a written response to such submission, setting out fully the nature and extent of the Association's agreement or disagreement with the Secretary of the Treasury with respect to the disapproved plan and the alternative plan of the Secretary of the Treasury and any findings of the Secretary of the Treasury.

* * * * * * *

(8) CRITICAL CAPITAL STANDARD.—(A) * * *

* * * * * * *

(C) Immediately upon a determination under subparagraph (A) or (B) to implement a capital restoration plan, the Secretary of the Treasury shall submit the capital restoration plan to be [implemented to the Chairman and ranking minority member of the Committee on Labor and Human Resources of the Senate, the Chairman and ranking minority member of the Committee on Education and Labor of the House of Representatives, and] *implemented to the members of the authorizing committees, and to* the Secretary of Education.

* * * * * * *

(10) REVIEW BY SECRETARY OF EDUCATION.—The Secretary of Education shall review the Secretary of the Treasury's submis-

sion required pursuant to paragraph (5)(B), (6)(B), or (8) and shall submit a report within 30 [days to the Chairman and ranking minority member of the Senate Committee on Labor and Human Resources and to the Chairman and ranking minority member of the House Committee on Education and Labor] *days to the members of the authorizing committees*—

(A) * * *

* * * * * * *

(s) CHARTER SUNSET.—

(1) * * *

(2) SUNSET PLAN.—

(A) PLAN SUBMISSION BY THE ASSOCIATION.—Not later than July 1, 2007, the Association shall submit to the Secretary of the [Treasury and to the Chairman and Ranking Member of the Committee on Labor and Human Resources of the Senate and the Chairman and Ranking Member of the Committee on Economic and Educational Opportunities of the House of Representatives] *Treasury and to the members of the authorizing committees*, a detailed plan for the orderly winding up, by July 1, 2013, of business activities conducted pursuant to the charter set forth in this section. Such plan shall—

(i) * * *

* * * * * * *

(B) AMENDMENT OF THE PLAN BY THE ASSOCIATION.—The Association shall from time to time amend such plan to reflect changed circumstances, and submit such amendments to the Secretary of the [Treasury and to the Chairman and Ranking Minority Member of the Committee on Labor and Human Resources of the Senate and Chairman and Ranking Minority Member of the Committee on Economic and Educational Opportunities of the House of Representatives] *Treasury and to the members of the authorizing committees*. In no case may any amendment extend the date for full implementation of the plan beyond the dissolution date provided in paragraph (3).

* * * * * * *

PART C—FEDERAL WORK-STUDY PROGRAMS

SEC. 441. PURPOSE; APPROPRIATIONS AUTHORIZED.

(a) * * *

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this part, [$1,000,000,000 for fiscal year 1999] *$1,500,000,000 for fiscal year 2009* and such sums as may be necessary for each of the 4 succeeding fiscal years.

(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) * * *

* * * * * * *

(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) * * *

* * * * * * *

(C) counseling, including career counseling[.]*; and*

(5) responding to the needs of the community, which may include activities in preparation for and during emergencies and natural disasters.

SEC. 442. ALLOCATION OF FUNDS.

(a) * * *

* * * * * * *

(c) DETERMINATION OF INSTITUTION'S NEED.—(1) * * *

* * * * * * *

(4)(A) * * *

* * * * * * *

(D) The allowance for books and supplies described in subparagraph (A)(iii) is equal to [$450] *$600*.

* * * * * * *

SEC. 447. ADDITIONAL FUNDS TO CONDUCT COMMUNITY SERVICE WORK-STUDY PROGRAMS.

[Each institution participating] *(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) * * *

* * * * * * *

(b) OFF-CAMPUS COMMUNITY SERVICE.—

(1) GRANTS AUTHORIZED.—In addition to funds made available under section 443(b)(2)(B), the Secretary is authorized to award grants to institutions participating under this part to supplement off-campus community service employment.

(2) USE OF FUNDS.—In any year in which section 443(b)(2)(B) applies, an institution shall ensure that funds granted to such institution under this subsection are used in accordance with such section 443 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 post-secondary students assisting with early childhood education activities and activities in preparation for and during 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 4 succeeding fiscal years.

SEC. 448. WORK COLLEGES.

(a) PURPOSE.—The purpose of this section is to recognize, encourage, and promote the use of comprehensive [work-learning] *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) * * *

(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] *work-learning-service* program of the institution within the limits of part F of this title;

* * * * * * *

(C) carry out activities described in section 443 or 446;

(D) be used for the administration, development and assessment of comprehensive [work-learning] *work-learning-service* programs, including—

(i) community-based [work-learning] *work-learning-service* alternatives that expand opportunities for community service and career-related work; and

* * * * * * *

[(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 institution with a commitment to community service;

[(B) has operated a comprehensive work-learning program for at least 2 years;

[(C) requires all resident students who reside on campus to participate in a comprehensive work-learning program and the provision of services as an integral part of the institution's educational program and as part of the institution's educational philosophy; and

[(D) provides students participating in the comprehensive work-learning 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 program" means a student work/service program that is an integral and stated part of the institution's educational philosophy and program; requires participation of all resident students for enrollment, participation, and graduation; includes learning objectives, evaluation and a record of work performance as part of the student's college record; provides programmatic leadership by college personnel at levels comparable to traditional academic programs; recognizes the educational role of work-learning supervisors; and includes consequences for non-

performance or failure in the work-learning program similar to the consequences for failure in the regular academic program.]

(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 2 years;

(C) requires all resident students, including at least one-half of all students who are enrolled on a full-time basis, to participate in a comprehensive work-learning-service program for at least 5 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 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 an integral and stated part of the institution's educational philosophy and program;

(B) requires participation of all resident students for enrollment and graduation;

(C) includes learning objectives, evaluation, and a record of work performance as part of the student's college record;

(D) provides programmatic leadership by college personnel at levels comparable to traditional academic programs;

(E) recognizes the educational role of work-learning-service supervisors; and

(F) 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 [$5,000,000] *such sums as may be necessary* for fiscal year [1999] *2009* and such sums as may be necessary for each of the 4 succeeding fiscal years.

PART D—WILLIAM D. FORD FEDERAL DIRECT LOAN PROGRAM

* * * * * * *

SEC. 455. TERMS AND CONDITIONS OF LOANS.

(a) * * *

(b) INTEREST RATE.—

(1) * * *

* * * * * * *

(8) REPAYMENT INCENTIVES.—

(A) * * *

(B) ACCOUNTABILITY.—Prior to publishing regulations proposing repayment incentives, 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 [Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives] *authorizing committees* not less than 60 days prior to the publication of regulations proposing such reductions.

* * * * * * *

(m) REPAYMENT PLAN FOR PUBLIC SERVICE EMPLOYEES.—

(1) * * *

* * * * * * *

(3) DEFINITIONS.—In this subsection:

(A) * * *

[(B) PUBLIC SERVICE JOB.—The term "public service job" means—

[(i) a full-time job in emergency management, government, military service, public safety, law enforcement, public health, public education (including early childhood education), social work in a public child or family service agency, public interest law services (including prosecution or public defense or legal advocacy in low-income communities at a nonprofit organization), public child care, 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 a full-time faculty member at a Tribal College or University as defined in section 316(b) and other faculty teaching in high-needs areas, as determined by the Secretary.]

(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 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.

(n) IDENTITY FRAUD PROTECTION.—The Secretary of Education shall take such steps as may be necessary to ensure that monthly Direct Loan statements and other publications of the Department of Education do not contain more than 4 digits of the Social Security number of any individual.

* * * * * * *

SEC. 458. FUNDS FOR ADMINISTRATIVE EXPENSES.

(a) ADMINISTRATIVE EXPENSES.—

(1) * * *

(2) AUTHORIZATION FOR ADMINISTRATIVE COSTS BEGINNING IN FISCAL YEARS 2007 THROUGH [2011] *2013*.—For each of the fiscal years 2007 through [2011] *2013*, there are authorized to be appropriated such sums as may be necessary for administrative costs under this part and part B, including the costs of the direct student loan programs under this part.

(3) CONTINUING MANDATORY FUNDS FOR ACCOUNT MAINTENANCE FEES.—For each of the fiscal years 2007 through [2011] *2013*, there shall be available to the Secretary, from funds not otherwise appropriated, funds to be obligated for account maintenance fees payable to guaranty agencies under part B and calculated in accordance with subsection (b).

* * * * * * *

(d) AUDIT OF DIRECT LOAN SERVICING PORTFOLIO AND DIRECT LOAN SERVICING CONTRACTS.—The Secretary shall have a financial and compliance audit of all loans owned by the Department of Education and made under the William D. Ford Federal Direct Loan Program and all contracts for the origination, servicing, collection, and related activities of such loans, conducted annually by a qualified independent organization from a list of qualified organizations promulgated by the Secretary in accordance with standards established by the Comptroller General. The standards shall measure the servicer's compliance with the due diligence standards and shall include a defined statistical sampling technique designed to measure the performance rating of the servicer for the purpose of this section. The Secretary shall submit the audit to Congress within 60 days of its completion and shall at the same time make the results of the audit publicly available.

(e) BUDGET JUSTIFICATION AND QUARTERLY REPORTS.—In addition to the requirements of subsection (c), and as a prerequisite to expending funds under this section, the Secretary shall—

(1) make publicly available immediately upon providing to Congress, its annual budget justification referenced in the last sentence of subsection (c), including the detailed descriptions of activities and the costs for each such activity; and

(2) make publicly available within 30 days of the close of each calendar quarter, an interim report with at least the same level of detail as the annual report referred to above, showing the detailed descriptions of activities and the costs for each such activity, for the quarter, which shall include—

(A) amendments to any contracts entered into by the Department for the purposes of servicing, origination, consolidating, or otherwise providing administrative support for the Direct Loan program;

(B) a complete listing of all milestones for upgrades and improvements in any of the contracts referenced in section 458(d)(1) and the progress towards meeting such milestones;

(C) un-reconciled balances in held loans by year of origination;

(D) status and number of defaulted loans by length of default in 30-day increments;

(E) status and number of delinquent loans by length of delinquency in 30-day increments;

(F) information technology purchases made under this section; and

(G) costs and terms of all contracts with external consultants and employees of institutions of higher education.

(f) NATIONAL DEBT REPORT CARD.—The Secretary shall make an annual report to Congress, included with the budget justification for the Department, of the aggregate dollar amount of increase in the national debt as a result of loans made under part D of this title. This reporting shall be made by calculating the net of the total outstanding amount lent by the Department and the United States Treasury, less the balance in principal of performing and non-defaulted loans outstanding in the Department's portfolio.

* * * * * * *

PART E—FEDERAL PERKINS LOANS

SEC. 461. APPROPRIATIONS AUTHORIZED.

(a) * * *

(b) AUTHORIZATION OF APPROPRIATIONS.—(1) For the purpose of enabling the Secretary to make contributions to student loan funds established under this part, there are authorized to be appropriated **[**$250,000,000 for fiscal year 1999**]** *$350,000,000 for fiscal year 2009* and such sums as may be necessary for each of the 4 succeeding fiscal years.

(2) In addition to the funds authorized under paragraph (1), there are hereby authorized to be appropriated such sums for fiscal year **[**2003**]** *2014* and each of the 5 succeeding fiscal years as may be necessary to enable students who have received loans for academic years ending prior to October 1, **[**2003**]** *2014*, to continue or complete courses of study.

* * * * * * *

SEC. 462. ALLOCATION OF FUNDS.

(a) * * *

* * * * * * *

(c) DETERMINATION OF INSTITUTION'S SELF-HELP NEED.—(1) * * *

* * * * * * *

(4)(A) * * *

* * * * * * *

(D) The allowance for books and supplies described in subparagraph (A)(iii) is equal to [$450] *$600*.

* * * * * * *

SEC. 463. AGREEMENTS WITH INSTITUTIONS OF HIGHER EDUCATION.

(a) CONTENTS OF AGREEMENTS.—An agreement with any institution of higher education for the payment of Federal capital contributions under this part shall—

(1) * * *

* * * * * * *

(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—

(A) * * *

[(B) if the institution is not one described in subparagraph (A), the Secretary may—

[(i) allow such institution to transfer its interest in such loan to the Secretary, for collection, and the Secretary may use any collections thereon (less an amount not to exceed 30 percent of any such sums collected to cover the Secretary's collection costs) to make allocations to institutions of additional capital contributions in accordance with section 462; or

[(ii) allow such institution to refer such note or agreement to the Secretary, without recompense, except that 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 no later than 180 days after collection by the Secretary and treated as an additional capital contribution;]

(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 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 no later than 180 days after collection by the Secretary and treated as an additional capital contribution under section 462;

* * * * * * *

(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 per-*

mit the Secretary to require the assignment of loans to the Secretary other than as is provided for in paragraphs (4) and (5).

* * * * * * *

SEC. 464. TERMS OF LOANS.

(a) TERMS AND CONDITIONS.—(1) * * *

(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) **[**$4,000**]** *$5,500*, in the case of a student who has not successfully completed a program of undergraduate education; or

(ii) **[**$6,000**]** *$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) **[**$40,000**]** *$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) **[**$20,000**]** *$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) **[**$8,000**]** *$11,000*, in the case of any other student.

* * * * * * *

(e) FORBEARANCE.—*(1)* The Secretary shall ensure that**[**, upon written request,**]**, *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—

[(1)**]** *(A)* the borrower's debt burden equals or exceeds 20 percent of such borrower's gross income;

[(2)**]** *(B)* the institution determines that the borrower should qualify for forbearance for other reasons; or

[(3)**]** *(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.

* * * * * * *

(h) REHABILITATION OF LOANS.—

(1) REHABILITATION.—

(A) IN GENERAL.—If the borrower of a loan made under this part who has defaulted on the loan makes [12 ontime] *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 credit bureau organization or credit reporting agency to which the default was reported remove the default from the borrower's credit history.

* * * * * * *

(j) ARMED FORCES STUDENT LOAN INTEREST PAYMENT PROGRAM.—

(1) * * *

(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)(3)] *(e)(1)(C)*.

* * * * * * *

SEC. 465. CANCELLATION OF LOANS FOR CERTAIN PUBLIC SERVICE.

(a) CANCELLATION OF PERCENTAGE OF DEBT BASED ON YEARS OF QUALIFYING SERVICE.—(1) * * *

(2) Loans shall be canceled under paragraph (1) for service—

[(A) as a full-time teacher for service in an academic year in a public or other nonprofit private elementary or secondary school which is in the school district of a local educational agency which is eligible in such year for assistance pursuant to title I of the Elementary and Secondary Education Act of 1965, and which for the purpose of this paragraph and for that year has been 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 section 111(c) of the Elementary and Secondary Education Act of 1965 exceeds 30 percent of the total enrollment of that school;]

(A) as a full-time teacher for service in an academic year in a high-need school;

(B) as a full-time staff member in a preschool program carried on under the [Head Start Act which] *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;

* * * * * * *

(H) as a full-time nurse or medical technician providing health care services; [or]

(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 title I of the Elementary and Secondary Education Act of 1965; or

(ii) a public library that serves a geographic area that contains 1 or more schools eligible for assistance under title I of the Elementary and Secondary Education Act of 1965; or

(M) as a full-time speech language therapist, if the therapist has a master's 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), [or (I)] *(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 (D) of paragraph (2), not to exceed a total of 50 percent of such loan at the rate of 12½ percent for each year of qualifying service; or]

[(iv)] *(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.

* * * * * * *

PART F—NEED ANALYSIS

* * * * * * *

SEC. 472. COST OF ATTENDANCE.

For the purpose of this title, the term "cost of attendance" means—

(1) * * *

* * * * * * *

(3) an allowance (as determined by the institution) for room and board costs incurred by the student which—

(A) * * *

(B) for students without dependents residing in institutionally owned or operated housing, shall be a standard allowance determined by the institution based on the amount normally assessed most of its residents for room and board; [and]

(C) for students who live in housing located on a military base or for which a basic allowance is provided under section 403(b) of title 37, United States Code, shall be an allowance based on the expenses reasonably incurred by such students for board but not for room; and

[(C)] *(D)* for all other students shall be an allowance based on the expenses reasonably incurred by such students for room and board;

* * * * * * *

SEC. 479A. DISCRETION OF STUDENT FINANCIAL AID ADMINISTRATORS.

(a) IN GENERAL.—Nothing in this part shall be interpreted as limiting the authority of the financial aid administrator, on the basis of adequate documentation, to make adjustments on a case-by-case basis to the cost of attendance or the values of the data items required to calculate the expected student or parent contribution (or both) to allow for treatment of an individual eligible applicant with special circumstances. However, this authority shall not be construed to permit aid administrators to deviate from the contributions expected in the absence of special circumstances. Special circumstances may include tuition expenses at an elementary or secondary school, [medical or dental expenses] *medical, dental, or nursing home expenses* not covered by insurance, unusually high child care costs, recent unemployment of a family member, the number of parents enrolled at least half-time in a degree, certificate, or other program leading to a recognized educational credential at an institution with a program participation agreement under section 487, or other changes in a family's income, a family's assets, or a student's status. Special circumstances shall be conditions that differentiate an individual student from a class of students rather than conditions that exist across a class of students. Adequate documentation for such adjustments shall substantiate such special circumstances of individual students. In addition, nothing in this title shall be interpreted as limiting the authority of the student financial aid administrator in such cases to request and use supplementary information about the financial status or personal circumstances of eligible applicants in selecting recipients and determining the amount of awards under this title. No student or parent shall be charged a fee for collecting, processing, or delivering such supplementary information.

* * * * * * *

SEC. 480. DEFINITIONS.

As used in this part:

(a) TOTAL INCOME.—(1) * * *

* * * * * * *

(3) Notwithstanding paragraph (1), with respect to dislocated workers (as defined in section 101 of the Workforce Investment Act

of 1998 (29 U.S.C. 2801)), the term "total income" is equal to estimated adjusted gross income plus estimated untaxed income and benefits for the current tax year minus estimated excludable income (as defined in subsection (e)) in for the current tax year.

(b) UNTAXED INCOME AND BENEFITS.—The term "untaxed income and benefits" means—

(1) * * *

* * * * * * *

(6) 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*;

* * * * * * *

(j) OTHER FINANCIAL ASSISTANCE.—(1) * * *

* * * * * * *

(4) Notwithstanding paragraph (1), for the first year a student receives veterans' education benefits under chapter 30 of title 38, United States Code, the amount of such veterans' education benefits that is treated as estimated financial assistance not received under this title for the purposes of section 471(3) shall be calculated by subtracting the amount that the student's basic pay was reduced under section 3011(b) or 3012(c) of such title in order to be eligible to receive such benefits from the amount of such veterans' education benefits.

* * * * * * *

PART G—General Provisions Relating to Student Assistance Programs

* * * * * * *

SEC. 482. MASTER CALENDAR.

(a) SECRETARY REQUIRED TO COMPLY WITH SCHEDULE.—To assure adequate notification and timely delivery of student aid funds under this title, the Secretary shall adhere to the following calendar dates in the year preceding the award year:

(1) Development and distribution of Federal and multiple data entry forms—

(A) * * *

[(B) by March 1: proposed modifications and updates pursuant to section 478 published in the Federal Register;

[(C) by June 1: final modifications and updates pursuant to section 478 published in the Federal Register;]

(B) by March 1: proposed modifications, updates, and notices pursuant to sections 478 and 483(a)(6) published in the Federal Register;

(C) by June 1: final modifications, updates, and notices pursuant to sections 478 and 483(a)(6) published in the Federal Register;

* * * * * * *

(d) NOTICE TO CONGRESS.—The Secretary shall notify the [Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives] *authorizing committees* when a deadline included in the calendar described in subsection (a) is not met. Nothing in this section shall be interpreted to penalize institutions or deny them the specified times allotted to enable them to return information to the Secretary based on the failure of the Secretary to adhere to the dates specified in this section.

(e) COMPLIANCE CALENDAR.—Prior to the beginning of each award year, the Secretary shall provide to institutions of higher education a list of all the reports and disclosures required under this Act. The list shall include—

(1) the date each report or disclosure is required to be completed and to be submitted, made available, or disseminated;

(2) the required recipients of each report or disclosure;

(3) any required method for transmittal or dissemination of each report or disclosure;

(4) a description of the content of each report or disclosure sufficient to allow the institution to identify the appropriate individuals to be assigned the responsibility for such report or disclosure;

(5) references to the statutory authority, applicable regulations, and current guidance issued by the Secretary regarding each report or disclosure; and

(6) any other information which is pertinent to the content or distribution of the report or disclosure.

SEC. 483. FORMS AND REGULATIONS.

(a) COMMON FINANCIAL AID FORM DEVELOPMENT AND PROCESSING.—

[(1) SINGLE FORM REQUIRED.—The Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance, shall produce, distribute, and process free of charge a common financial reporting form to be used to determine the need and eligibility of a student for financial assistance under parts A through E of this title (other than under subpart 4 of part A). The Secretary shall include on the form developed under this subsection such data items as the Secretary determines are appropriate for inclusion. Such items shall be selected in consultation with States to assist in the awarding of State financial assistance. In no case shall the number of such data items be less than the number included on the form on the date of enactment of the Higher Education Amendments of 1998. Such form shall satisfy the requirements of section 401(d) of this title.

[(2) CHARGES TO STUDENTS AND PARENTS FOR USE OF FORM PROHIBITED.—The common financial reporting form prescribed by the Secretary under paragraph (1) shall be produced, distributed, and processed by the Secretary and no parent or student shall be charged a fee for the collection, processing, or de-

livery of financial aid through the use of such form. The need and eligibility of a student for financial assistance under parts A through E of this title (other than under subpart 4 of part A) may only be determined by using the form developed by the Secretary pursuant to paragraph (1) of this subsection. No student may receive assistance under parts A through E of this title (other than under subpart 4 of part A), except by use of the form developed by the Secretary pursuant to this section. No data collected on a form for which a fee is charged shall be used to complete the form prescribed under paragraph (1).]

(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). These 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 parents to read and understand, and shall ensure that the FAFSA is available in formats accessible to individuals with disabilities.

(2) EARLY ESTIMATES.—The Secretary shall—

(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 reenter 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; and

(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.

(3) PAPER FORMAT.—

(A) IN GENERAL.—The Secretary shall produce, distribute, and process common forms in paper format to meet the requirements of paragraph (1). The Secretary shall develop a common paper form for applicants who do not meet the requirements of subparagraph (B).

(B) EZ FAFSA.—

(i) IN GENERAL.—The Secretary shall develop and use a simplified paper application form, to be known as the EZ FAFSA, to be used for applicants meeting the requirements of subsections (b) and (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 required to

make a determination of whether the applicant meets the requirements under subsections (b) and (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 (6), except that the Secretary shall not include a State's data if that State does not permit its applicants to use the EZ FAFSA for State assistance.

(iv) FREE AVAILABILITY AND PROCESSING.—The provisions of paragraph (7) 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 (9).

(v) TESTING.—The Secretary shall conduct appropriate field testing on the EZ FAFSA.

(C) PROMOTING THE USE OF ELECTRONIC FAFSA.—

(i) IN GENERAL.—The Secretary shall make all efforts to encourage all applicants to utilize the electronic forms described in paragraph (4).

(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) in a printable electronic file that is easily portable. The printable electronic file will be made easily accessible and downloadable to students on the same website used to provide students with the electronic application forms described in paragraph (4) of this subsection. The Secretary shall enable students to submit a form created under this subparagraph that may be downloaded and printed from an electronic file format in order to meet the filing requirements of this section and in order to receive aid from programs under this title.

(iii) REPORTING REQUIREMENT.—The Secretary shall report annually to Congress on the impact of the digital divide on students completing applications for title IV aid described under this paragraph and paragraph (4). The Secretary will also report on the steps taken to eliminate the digital divide and reduce production of the paper form described in subparagraph (A) of this paragraph. The Secretary's report will specifically address the impact of the digital divide on the following student populations: independent students, traditionally underrepresented students, and dependent students.

(4) ELECTRONIC FORMAT.—

(A) IN GENERAL.—The Secretary shall produce, distribute, and process common forms in electronic format to meet the requirements of paragraph (1). The Secretary shall develop common electronic forms for applicants who do not meet the requirements of subparagraph (C) of this paragraph.

(B) STATE DATA.—The Secretary shall include on the common electronic forms space for information that needs to be entered for the applicant to be eligible for State financial assistance, as provided under paragraph (6), except the Secretary shall not require applicants to enter data required by any State other than the applicant's State of residence.

(C) SIMPLIFIED APPLICATIONS: FAFSA ON THE WEB.—

(i) IN GENERAL.—The Secretary shall develop and use a simplified electronic application form to be used by applicants meeting the requirements under subsections (b) and (c) of section 479.

(ii) REDUCED DATA REQUIREMENTS.—The simplified electronic application 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) STATE DATA.—The Secretary shall include on the simplified electronic application forms such data items as may be necessary to award State financial assistance, as provided under paragraph (6), except that the Secretary shall not require applicants to enter data required by any State other than the applicant's State of residence.

(iv) AVAILABILITY AND PROCESSING.—The data collected by means of the simplified electronic application forms shall be available to institutions of higher education, guaranty agencies, and States in accordance with paragraph (9).

(v) TESTING.—The Secretary shall conduct appropriate field testing on the forms developed under this subparagraph.

(D) 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.

(E) PRIVACY.—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 awarded under section 415C, 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.

(F) SIGNATURE.—Notwithstanding any other provision of this Act, the Secretary may permit an electronic 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) of this paragraph.

(G) PERSONAL IDENTIFICATION NUMBERS AUTHORIZED.—The Secretary may assign to applicants personal identification numbers—

(i) to enable the applicants to use such numbers in lieu of a signature for purposes of completing a form under this paragraph;

(ii) to enable the applicants to use such numbers in lieu of a signature for purposes of completing forms required by States under section 415C; and

(iii) for any purpose determined by the Secretary to enable the Secretary to carry out this title.

(H) PERSONAL IDENTIFICATION NUMBER IMPROVEMENT.—The Secretary shall implement a real-time data match between the Social Security Administration and the Department 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.

(5) STREAMLINING.—

(A) STREAMLINED REAPPLICATION PROCESS.—

(i) IN GENERAL.—The Secretary shall develop streamlined reapplication forms and processes, including both paper and electronic reapplication processes, consistent with the requirements of this subsection, for an applicant who applies for financial assistance under this title in the next succeeding academic year subsequent to the year in which such applicant first applied for financial assistance under this title.

(ii) MECHANISMS FOR REAPPLICATION.—The Secretary shall develop appropriate mechanisms to support reapplication.

(iii) IDENTIFICATION OF UPDATED DATA.—The Secretary shall determine, in cooperation with States, institutions of higher education, agencies, and organizations involved in student financial assistance, the data elements that can be updated from the previous academic year's application.

(iv) 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.

(v) ZERO FAMILY CONTRIBUTION.—Applicants determined to have a zero family contribution pursuant to section 479(c) shall not be required to provide any fi-

nancial data in a reapplication form, except that which is necessary to determine eligibility under such section.

(B) REDUCTION OF DATA ELEMENTS.—

(i) REDUCTION ENCOURAGED.—Of the number of data elements on the FAFSA on the date of enactment of the College Opportunity and Affordability Act of 2007 (including questions on the FAFSA for the purposes described in paragraph (6)), the Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance, 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. Reductions of data elements under paragraph (3)(B), (4)(C), or (5)(A)(iv) shall not be counted towards such reduction unless those data elements are reduced for all applicants.

(ii) REPORT.—The Secretary shall submit a report on the process of this reduction to each the authorizing committees within 2 years after such date of enactment.

(6) STATE REQUIREMENTS.—

(A) IN GENERAL.—The Secretary shall include on the forms developed under this subsection, such State-specific nonfinancial data items as the Secretary determines are necessary to meet State requirements for need-based State aid under section 415C, except as provided in paragraphs (3)(B)(iii) and (4)(C)(iii) of this subsection. Such items shall be selected in consultation with State agencies that submit applications under section 415C in order to assist in the awarding of State financial assistance in accordance with the terms of this subsection, except as provided in paragraphs (3)(B)(iii) and (4)(C)(iii) of this subsection. The number of such data items shall not be less than the number included on the form for the 2008–2009 academic 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 process to determine which forms and nonfinancial data items the States require to award need-based State aid and other application requirements that the States may impose.

(C) STATE USE OF SIMPLIFIED FORMS.—The Secretary shall encourage States to take such steps as necessary to encourage the use of simplified application forms, including those described in paragraphs (3)(B) and (4)(C), to meet the requirements under subsection (b) or (c) of section 479.

(D) FEDERAL REGISTER NOTICE.—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 application forms described in paragraphs (3)(B) and (4)(C); and

(ii) of the State-specific nonfinancial data that the State agency requires for delivery of State need-based financial aid.

(E) STATE NOTIFICATION TO THE SECRETARY.—

(i) IN GENERAL.—Each State agency that submits an application under section 415C shall notify the Secretary—

(I) whether the State permits an applicant to file a form described in paragraph (3)(B) or (4)(A) of this subsection for purposes of determining eligibility for State need-based grant aid; and

(II) the State-specific nonfinancial data that the State agency requires for delivery of State need-based financial aid.

(ii) ACCEPTANCE OF FORMS.—In the event that a State does not permit an applicant to file a form described in paragraph (3)(B) or (4)(A) of this subsection for purposes of determining eligibility for State need-based grant aid—

(I) the State shall notify the Secretary if the State is not permitted to do so because of either State law or because of agency policy; and

(II) the notification under subclause (I) shall include an estimate of the program cost to permit applicants to complete simplified application forms under paragraphs (3)(B) and (4)(A) of this subsection.

(iii) LACK OF NOTIFICATION BY THE STATE.—If a State does not notify the Secretary pursuant to clause (i), the Secretary shall—

(I) permit residents of that State to complete simplified application forms under paragraphs (3)(B) and (4)(A) of this subsection; and

(II) not require any resident of that State to complete any nonfinancial data previously required by that State under this section.

(7) CHARGES TO STUDENTS AND PARENTS FOR USE OF FORMS PROHIBITED.—

(A) FEES PROHIBITED.—The FAFSA, in whatever form (including the EZ FAFSA, paper, electronic, simplified, or reapplication), shall be produced, distributed, and processed by the Secretary and no parent or student shall be charged a fee for the collection, processing, or delivery of financial aid through the use of the FAFSA. The need and eligibility of a student for financial assistance under parts A through E of this title (other than under subpart 4 of part A) may only be determined by using the FAFSA developed by the Secretary pursuant to this subsection. No student may receive assistance under parts A through E of this title (other than under subpart 4 of part A), except by use of the FAFSA developed by the Secretary pursuant to this subsection. No data collected on a form for which a fee is charged shall be used to complete the FAFSA.

(B) NOTICE.—Any entity that provides to students and parents, or charges students or parents for, any value-added services with respect to or in connection with the FAFSA, such as completion of the FAFSA, submission of the FAFSA, or tracking of the FAFSA for a student, shall

provide to students and parents clear and conspicuous notice that—

(i) the FAFSA is a free Federal student aid application;

(ii) the FAFSA can be completed without professional assistance; and

(iii) includes the current Internet address for the FAFSA on the Department's web site.

(8) APPLICATION PROCESSING CYCLE.—The Secretary shall enable students to submit a form created under this subsection in order to meet the filing requirements of this section and in order to receive aid from programs under this title and shall initiate the processing of applications under this subsection as early as practicable prior to October 15 of the year prior to the student's planned year of enrollment.

[(3)**]** *(9)* DISTRIBUTION OF DATA.—Institutions of higher education, guaranty agencies, and States shall receive, without charge, the data collected by the Secretary using the form developed pursuant to this section 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.

[(4)**]** *(10)* CONTRACTS FOR COLLECTION AND PROCESSING.—(A) * * *

* * * * * * *

[(5) ELECTRONIC FORMS.—(A) The Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance, including private computer software providers, shall develop an electronic version of the form described in paragraph (1). As permitted by the Secretary, such an electronic version shall not require a signature to be collected at the time such version is submitted, if a signature is subsequently submitted by the applicant. The Secretary shall prescribe such version not later than 120 days after the date of enactment of the Higher Education Amendments of 1998.

[(B) Nothing in this section shall be construed to prohibit the use of the form developed by the Secretary pursuant to subparagraph (A) by an eligible institution, eligible lender, guaranty agency, State grant agency, private computer software providers, a consortium thereof, or such other entities as the Secretary may designate.

[(C) No fee shall be charged to students in connection with the use of the electronic version of the form, or of any other electronic forms used in conjunction with such form in applying for Federal or State student financial assistance.

[(D) The Secretary shall ensure that data collection complies with section 552a of title 5, United States Code, and that any entity using the electronic version of the form developed by the Secretary pursuant to subparagraph (A) 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 disclo-

sures of the information provided on the electronic version of the form. Data collected by such version of the form 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 version of the form 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.]

[(6)] *(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 eligible institutions 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) which are 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 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.

[(7)] *(12)* PARENT'S SOCIAL SECURITY NUMBER AND BIRTH DATE.—The Secretary is authorized to include on the form developed under this subsection space for the social security number and birth date of parents of dependent students seeking financial assistance under this title.

(13) EARLY APPLICATION AND AWARD DEMONSTRATION PROGRAM.—

(A) PROGRAM REQUIRED.—The Secretary shall, no later than two years after the date of the enactment of the College Opportunity and Affordability Act of 2007, implement an early application demonstration program enabling dependent students to—

(i) complete applications under this subsection in such students' junior year of secondary school, or in the academic year that is 2 years prior to such students' intended year of enrollment at an institution of higher education;

(ii) receive an estimate of such students' financial aid awards;

(iii) update, in the year prior to such students' planned year of enrollment, the information contained in an application submitted under clause (i), using the process described in paragraph (5) to determine such students' final financial aid awards; and

(iv) receive final financial aid awards based on updated information described in clause (iii).

(B) PURPOSE AND OBJECTIVES.—The purpose of the demonstration program under this paragraph shall be to measure the benefits, in terms of student aspirations and plans

to attend college, and the 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 the year prior to the year prior to enrollment. Additional objectives associated with implementation of the demonstration program are the following:

(i) Measure the feasibility of enabling dependent students to apply for Federal, State, and institutional financial aid in their junior year of high school, using information from the year prior to the year prior to enrollment, by completing any of the application forms under this subsection.

(ii) Identify whether receiving final financial aid awards no later than the fall of the senior year 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.

(iii) 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.

(iv) Effectively evaluate the benefits and adverse effects of the demonstration program on program costs, integrity, distribution, and delivery of aid.

(C) PARTICIPANTS.—The Secretary shall select States and institutions within those States to participate in the demonstration program under this paragraph that are participating in the programs under this title and that are willing to make final financial aid awards to students based on their application information from the year prior to the year prior to enrollment. The Secretary shall also select as participants in the demonstration program secondary schools and dependent students that are located in the participating States.

(D) APPLICATION PROCESS.—The Secretary shall insure that the following provisions are included in the demonstration program:

(i) Participating States and institutions shall—

(I) encourage participating students to apply for estimates of financial aid awards as provided under this title in such students' junior year of secondary school, or in the academic year that is 2 years prior to such students' intended year of enrollment at an institution of higher education, using the most recent information available; and

(II) make final financial aid awards to participating students based on the updated information contained on a form submitted using the process described in paragraph (5).

(ii) Financial aid administrators at participating institutions shall be allowed to use their discretion in awarding financial aid to participating students, as outlined under section 479A and section 480(d)(7).

(E) EVALUATION.—The Secretary shall conduct a rigorous evaluation of this demonstration program in order to measure its benefits and adverse effects as indicated under subparagraph (A).

(F) OUTREACH.—The Secretary shall make appropriate efforts in order to notify States of the demonstration program under this paragraph. Upon determination of participating States, the Secretary shall continue to make efforts to notify institutions and dependent students within participating States of the opportunity to participate in the demonstration program and of the participation requirements.

(G) CONSULTATION.—The Secretary shall consult with the Advisory Committee on Student Financial Assistance, established under section 491, on the design and implementation of the demonstration program and on the evaluation described in subparagraph (E).

[(b) STREAMLINED REAPPLICATION PROCESS.—(1) The Secretary shall develop a streamlined reapplication form and process, including electronic reapplication process, consistent with the requirements of subsection (a), for those recipients who apply for financial aid funds under this title in the next succeeding academic year subsequent to the initial year in which such recipients apply.

[(2) The Secretary shall develop appropriate mechanisms to support reapplication.

[(3) The Secretary shall determine, in cooperation with States, institutions of higher education, agencies and organizations involved in student financial assistance, the data elements that can be updated from the previous academic year's application.

[(4) Nothing in this title shall be interpreted as limiting the authority of the Secretary to reduce the number of data elements required of reapplicants.

[(5) Individuals determined to have a zero family contribution pursuant to section 479 shall not be required to provide any financial data, except that which is necessary to determine eligibility under that section.**]**

[(c)**]** *(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 **[**Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives**]** *authorizing committees* at least 45 days prior to their effective date.

[(d)**]** *(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 na-

tional clearinghouse on postsecondary education that is authorized under section 685(d)(2)(C) of the Individuals with Disabilities Education Act.

[(e)] *(d)* PREPARER.—Any financial aid application required to be made under this title shall include the name, signature, address or employer's address, social security number or employer identification number, and organizational affiliation of the preparer of such financial aid application.

(e) ADDRESSING THE DIGITAL DIVIDE.—The Secretary shall utilize savings accrued by moving more applicants to the electronic forms described in subsection (a)(4) to improve access to the electronic forms described in subsection (a)(4) for applicants meeting the requirements of section 479(b) or (c).

SEC. 484. STUDENT ELIGIBILITY.

(a) IN GENERAL.—In order to receive any grant, loan, or work assistance under this title, a student must—

(1) * * *

* * * * * * *

(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) * * *

* * * * * * *

(B) such student's social security number, except that the provisions of this subparagraph shall not apply to a student from [the Republic of the Marshall Islands, the Federated States of Micronesia, or] the Republic of Palau;

(5) be a citizen or national of the United States, a permanent resident of the United States, 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, [a citizen of any one of the Freely Associated States] *or, to the extent described in subsection (j), a citizen of the Republic of Palau*; and

* * * * * * *

[(j) ASSISTANCE UNDER SUBPARTS 1 AND 3 OF PART A, AND PART C.—Notwithstanding any other provision of law, a student shall be eligible until September 30, 2004, for assistance under subparts 1 and 3 of part A, and part C, if the student is otherwise qualified and—

[(1) is a citizen of any one of the Freely Associated States and attends an institution of higher education in a State or a public or nonprofit private institution of higher education in the Freely Associated States; or

[(2) meets the requirements of subsection (a)(5) and attends a public or nonprofit private institution of higher education in any one of the Freely Associated States.]

(j) ASSISTANCE UNDER SUBPART 1 OF PART A FOR STUDENTS FROM PALAU.—Notwithstanding any other provision of law, a student shall be eligible until September 30, 2009, for assistance under subpart 1 of part A if the student is otherwise qualified and—

(1) is a citizen of the Republic of Palau and attends an institution of higher education in a State or a public or nonprofit private institution of higher education in the Freely Associated States; or

(2) meets the requirements of subsection (a)(5) and attends a public or nonprofit private institution of higher education in any one of the Freely Associated States.

* * * * * * *

[(l) COURSES OFFERED THROUGH TELECOMMUNICATIONS.—

[(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 in whole or in part through telecommunications and leads to a recognized certificate, or a recognized associate, baccalaureate, or graduate degree, conferred by such institution, shall not be considered to be enrolled in correspondence courses.

[(B) EXCEPTION.—Subparagraph (A) shall not apply to an institution or school described in section 3(3)(C) of the Carl D. Perkins Vocational and Technical Education Act of 1998 .

[(2) RESTRICTION OR 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 discretionary authority provided in section 479A that telecommunications instruction results in a substantially reduced cost of attendance to such student.

[(3) SPECIAL RULE.—For award years prior to the date of enactment of this subsection, the Secretary shall not take any compliance, disallowance, penalty, or other action 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.

[(4) DEFINITION.—For the purposes of this subsection, the term "telecommunications" means the use of television, audio, or computer transmission, including open broadcast, closed circuit, cable, microwave, or satellite, audio conferencing, computer conferencing, or video cassettes or discs, except that such term does not include a course that is delivered using video cassette or disc recordings at such institution and that is not delivered in person to other students of that institution.]

(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 associate, baccalaureate, or 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) RESTRICTION OR 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 discretionary 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 prior to July 1, 2008, the Secretary shall not take any compliance, disallowance, penalty, or other action 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.

* * * * * * *

(r) SUSPENSION OF ELIGIBILITY FOR DRUG-RELATED OFFENSES.—

(1) * * *

(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) * * *

(ii) includes two unannounced drug tests; [or]

(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

[(B)] *(C)* the conviction is reversed, set aside, or otherwise rendered nugatory.

(s) STUDENTS WITH INTELLECTUAL DISABILITIES.—

(1) IN GENERAL.—Notwithstanding subsections (a), (c), and (d), in order to receive any grant or work assistance under section 401 and subpart 3 of part A and part C of this title, a student with an intellectual disability shall—

(A) be an individual with an intellectual disability whose mental retardation or other significant cognitive impairment substantially impacts the individual's intellectual and cognitive functioning;

(B)(i) be a student eligible for assistance under the Individuals with Disabilities Education Act who has completed secondary school; or

(ii) be an individual who was, but is no longer, eligible for assistance under the Individuals with Disabilities Education Act because the individual has exceeded the maximum age for which the State provides a free appropriate public education;

(C) be enrolled or accepted for enrollment in a comprehensive transition and postsecondary education program that—

(i) is designed to support students with an intellectual disability who are seeking to continue academic, vocational, and independent living instruction at the institution in order to prepare for gainful employment and independent living;

(ii) includes an advising and curriculum structure; and

(iii) requires students to participate on at least a half-time basis, as determined by the institution, including—

(I) regular enrollment in courses offered by the institution;

(II) auditing or participating in courses offered by the institution for which the student does not receive regular academic credit;

(III) enrollment in noncredit, nondegree courses;

(IV) participation in internships; or

(V) a combination of 2 or more of the activities described in clauses (i) through (iv);

(D) be maintaining satisfactory progress in the program as determined by the institution, in accordance with standards established by the institution; and

(E) meet the requirements of paragraphs (3), (4), (5), and (6) of subsection (a).

(2) REGULATIONS.—Notwithstanding rules applicable to grant or work assistance awards made under section 401 of part A, subpart 3 of part A, and part C of this title, 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 College Opportunity and Affordability Act of 2007, the Secretary shall, in consultation with the Central Processing System, 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 of Education website and the Digest of Education and 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 of the Congress, 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) * * *

(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; [and]

(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 of this title, 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.

* * * * * * *

SEC. 484B. INSTITUTIONAL REFUNDS.

(a) RETURN OF TITLE IV FUNDS.—

(1) * * *

(2) LEAVE OF ABSENCE.—

(A) * * *

* * * * * * *

(C) READMISSION REQUIREMENTS FOR SERVICEMEMBERS.—Any institution of higher education that requires any student—

(i) who is a member of the Armed Forces of the United States, or a member of such Armed Forces in a retired status, including members of the National Guard or other reserve component,

(ii) who is on active duty, or is called or ordered to active duty (as defined in section 481(d)), and

(iii) whose attendance at such institution is interrupted by such active duty,

to apply for readmission to such institution of higher education after the conclusion of such active duty shall submit to the Secretary a statement justifying such requirement.

* * * * * * *

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 (also referred to 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) * * *

* * * * * * *

(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; **[**and**]**

(O) the campus crime report prepared by the institution pursuant to subsection (f), including all required reporting categories**[**.**]***; and*

(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;

(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; and

(iv) a description of actions that the institution takes to prevent and detect unauthorized distribution of copyrighted material on the institution's information technology system.

* * * * * * *

(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, 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) * * *

* * * * * * *

(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; and

[(IX) arrests or persons referred for campus disciplinary action for liquor law violations, drug-related violations, and weapons possession; and]

(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) intimidation;

(VI) burglary;

(VII) larceny-theft;

(VIII) motor vehicle theft;

(IX) destruction, damage, or vandalism of property;

(X) simple assault;

(XI) manslaughter;

(XII) arson; and

(XIII) 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)] *for degree-granting institutions only, of the crimes described in subclauses (I) through (XII)* of clause (i), and other crimes involving bodily injury to any person in which the victim is intentionally selected because of the actual or perceived race, gender, religion, sexual orientation, 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.

* * * * * * *

(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 shall include procedures—

(i) to notify the campus community in not more than 30 minutes in the event of a significant emergency or dangerous situation, involving an immediate threat to the health or safety of students or staff, occurring on the campus, in or on noncampus buildings or property, and on public property;

(ii) to publicize emergency response and evacuation procedures on an annual basis in a manner designed to reach students and staff; and

(iii) to test emergency response and evacuation procedures on an annual basis.

* * * * * * *

(5) On an annual basis, each institution participating in any program under this title 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 [Committee on Education and the Workforce of the House of Representatives

and the Committee on Labor and Human Resources of the Senate] *authorizing committees* on campus crime statistics by September 1, 2000;

* * * * * * *

(15) 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.

(16) BEST PRACTICES.—The Secretary may seek the advice and counsel of the Attorney General concerning the development, and dissemination to institutions of higher education, of best practices information about campus safety and emergencies.

(17) RETALIATION PROHIBITED.—No participating institution or officer, employee, or agent of the institution shall intimidate, threaten, coerce, or otherwise discriminate against any individual for the purpose of interfering with the implementation of any provision of this subsection, or any rights or privileges accorded under this subsection, or because the individual has complained, testified, assisted, or otherwise participated in any aspect of an investigation, proceeding, or hearing.

[(15)] *(18)* This subsection may be cited as the "Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act".

(g) DATA REQUIRED.—

(1) * * *

* * * * * * *

(4) SUBMISSION; REPORT; INFORMATION AVAILABILITY.—

(A) * * *

(B) The Secretary shall prepare a report regarding the information received under subparagraph (A) and submit such report to the [Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate] *authorizing committees* by April 1, 2000. The report shall—

(i) * * *

* * * * * * *

(h) TRANSFER OF CREDIT POLICIES.—

(1) DISCLOSURE.—Each institution of higher education participating in any program under this title shall publicly disclose in a readable 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.

(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 eligible institution participating in any program under this title shall, on an annual basis submit to the Secretary a copy of the statistics required to be made available under subparagraph (A).

(3) CURRENT INFORMATION TO CAMPUS COMMUNITY.—Each institution participating in any program under this title 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 such statistics submitted to the Secretary available to the public; and

(B) in coordination with nationally recognized fire organizations and representatives of institutions of higher edu-

cation, 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;

(ii) disseminate information 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 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.

(8) RETALIATION PROHIBITED.—No participating institution or officer, employee, or agent of the institution shall intimidate, threaten, coerce, or otherwise discriminate against any individual for the purpose of interfering with the implementation of any provision of this subsection, or any rights or privileges accorded under this subsection, or because the individual has complained, testified, assisted, or otherwise participated in any aspect of an investigation, proceeding, or hearing.

(j) MISSING PERSON PROCEDURES.—

(1) FORM AND PROTOCOLS.—Each institution of higher education participating in any program under this title shall—

(A) include on its form for registration or enrollment of students an item in which the student can elect to identify an individual to be notified and police to be notified by the university within 24 hours of when a student is reported missing to the university, and

(B) establish protocols for missing students that—

(i) require any missing person report relating to any student be referred to the institution's police or campus security department; and

(ii) if, on investigation of the report, such department determines that the missing person has been missing for more than 24 hours, require—

(I) such department to refer to the item on the registration document required under subparagraph (A) and contact the individual named by the student in such item; and

(II) if the student is under 18 years of age, the institution of higher education to automatically contact the parents of such student.

(2) WAIVER.—The item required by paragraph (1)(A) shall explicitly and prominently state that by identifying an individual to contact in the case of disappearance, the student waives any right to sue based on Federal or State privacy law in the event that a missing persons notification is made to the individual named by such student in such item.

(3) ADDITIONAL REMEDIES PERMITTED.—Nothing in this subsection shall be construed to prevent or discourage an institution of higher education from taking additional measures with respect to missing students beyond those required by this subsection.

(k) NOTICE TO STUDENTS CONCERNING PENALTIES FOR DRUG VIOLATIONS.—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).

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SEC. 486. DISTANCE EDUCATION DEMONSTRATION PROGRAMS.

(a) * * *

* * * * * * *

(e) NOTIFICATION.—The Secretary shall make available to the public and to the ⟦Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives⟧ *authorizing committees* a list of institutions, systems or consortia selected to participate in the demonstration program authorized by this section. Such notice shall include a listing of the specific statutory and regulatory requirements being waived for each institution, system or consortium and a description of the distance education courses to be offered.

(f) EVALUATIONS AND REPORTS.—

(1) * * *

* * * * * * *

(3) REPORTS.—

(A) IN GENERAL.—Within 18 months of the initiation of the demonstration program, the Secretary shall report to the ⟦Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives⟧ *authorizing committees* with respect to—

(i) * * *

* * * * * * *

(B) ADDITIONAL REPORTS.—The Secretary shall provide additional reports to the [Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives] *authorizing committees* on an annual basis regarding—

(i) * * *

* * * * * * *

SEC. 486A. ARTICULATION AGREEMENTS.

(a) PROGRAM TO ENCOURAGE ARTICULATION AGREEMENTS.—

(1) PROGRAM REQUIREMENTS.—The Secretary shall carry out a program for States, in cooperation with public institutions of higher education, to develop, enhance, and implement comprehensive articulation agreements among such institutions in a State, and (to the extent practicable) across State lines, by 2010. Such articulation agreements shall be made widely and publicly available on the websites of States and institutions, and on the application materials of such institutions. In developing, enhancing, and implementing articulation agreements, States and public institutions of higher education may employ strategies, where applicable, including—

(A) common course numbering;

(B) a general education core curriculum;

(C) developing or expanding articulation agreements that include both public and private institutions of higher education; and

(D) other strategies identified by the Secretary.

(2) TECHNICAL ASSISTANCE PROVIDED.—The Secretary shall provide technical assistance to States and institutions of higher education for the purposes of developing and implementing articulation agreements in accordance with this subsection.

(3) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to limit the academic freedom or choices of institutions of higher education.

(b) STUDY REQUIRED.—The Secretary shall conduct a study to review the articulation agreements at State-based college and university systems, including junior or community colleges, as well as those at other institutions of higher education, including private non-profit and for-profit institutions. Such study shall consider—

(1) the extent to which States and institutions have developed and implemented articulation agreements;

(2) with respect to the articulation agreements developed—

(A) the number and types of institutions participating the programs offered;

(B) the cost-savings to the participating institutions and to the students;

(C) what strategies are being employed, including common course numbering and general education core curriculum;

(D) the effective use of technologies to contain costs, maintain quality of instruction, and inform students; and

(E) a description of the students to whom the articulation agreements are offered and, to the extent practicable, a de-

scription of the students who take advantage of the articulation agreements;

(3) best practices and innovative strategies employed to implement effective articulation agreements; and

(4) barriers to the implementation of articulation agreements, including technological and informational barriers.

(c) REPORT.—The Secretary shall submit to the authorizing committees an interim report on the study required by this section not later than 2 years after the date of enactment of the College Opportunity and Affordability Act of 2007 and a final report on such study not later than January 1, 2013.

(d) DEFINITION.—In this section, the term "articulation agreement" means an agreement between institutions of higher education that specifies the acceptability of courses in transfer toward meeting specific degree requirements.

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) * * *

* * * * * * *

(23)(A) * * *

* * * * * * *

(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, provided such information is in an electronic message devoted exclusively to voter registration.

(24)(A) A covered institution that has entered into a preferred lender arrangement will compile, maintain, and make available for students attending the institution (or the parents of such students) a list, in print or any other medium, of the specific lenders for educational loans that the institution recommends, promotes, or endorses in accordance with such preferred lender arrangement. In compiling, maintaining, and making available such list, the institution will—

(i) clearly and fully disclose on such list—

(I) no less than the information required to be disclosed in the model disclosure form, or updated model disclosure form, required under section 153;

(II) why the institution has entered into a preferred lender arrangement with each listed lender, particularly with respect to terms and conditions favorable to the borrower; and

(III) that the students attending the institution (or the parents of such students) do not have to borrow from a listed lender;

(ii) ensure, through the use of the list provided by the Secretary under subparagraph (B), that—

(I) there are not less than 3 lenders of loans made under part B that are not affiliates of each other included on such list and, if the institution recommends, promotes, or endorses private educational loans, there are not less than 2 lenders of private educational loans that are not affiliates of each other included on such list;

(II) the list under this subparagraph—

(aa) specifically indicates, for each listed lender, whether the lender is or is not an affiliate of each other lender on the list; and

(bb) if a lender is an affiliate of another lender on the list, describes the details of such affiliation;

(iii) 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 benefits provided to borrowers, including—

(I) highly competitive interest rates, terms, or conditions of Federal and private educational loans;

(II) high-quality servicing for such loans; or

(III) additional benefits beyond the standard terms and conditions for such loans;

(iv) exercise a duty of care and a duty of loyalty to compile the list under this subparagraph without prejudice and for the sole benefit of the students attending the institution (or the parents of such students);

(v) not deny or otherwise impede the borrower's choice of a lender or cause unnecessary delays in loan certification under this title for those borrowers who choose a lender that has not been recommended, promoted, or endorsed by the institution; and

(vi) comply with such other requirements as the Secretary may prescribe by regulation.

(B) The Secretary shall maintain and update a list of lender affiliates of all eligible lenders, and shall provide such list to the institutions for use in carrying out subparagraph (A).

(C) For the purposes of subparagraph (A)—

(i) the term "affiliate" means a person that controls, is controlled by, or is under common control with another person;

(ii) a person controls, is controlled by, or is under common control with another person if—

(I) the person directly or indirectly, or acting through 1 or more others, owns, controls, or has the power to vote 5 percent or more of any class of voting securities of such other person;

(II) the person controls, in any manner, the election of a majority of the directors or trustees of such other person; or

(III) 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;

(iii) the term "preferred lender arrangement" has the meaning provided in section 151;

(iv) the term "educational loans" has the meaning provided in section 151, except that such term does not include loans under section 499(b) or under parts D or E of this title.

(25) The institution will submit to the Secretary annually, in such form as the Secretary may prescribe, data on—

(A) the number and percentage of students taking classes in whole or in part on-line or through distance education;

(B) of such students, the number and percentage of those taking their classes exclusively on-line or through distance education; and

(C) the number and percentage of courses offered by the institution that are offered on-line or through distance education.

(26) The institution will, upon request, disclose to the alleged victim of any crime of violence (as that term is defined in section 16 of title 18), or a nonforcible sex offense, the final 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, the next of kin of such victim shall be treated as the alleged victim for purposes of this paragraph.

(27) A proprietary institution of higher education (as defined in section 102(b)) will, as calculated in accordance with subsection (f)(1) of this section, have not less than 10 percent of its revenues from sources other than funds provided under this title, or will be subject to the sanctions described in subsection (f)(2) of this section.

(28)(A) The institution of higher education will establish a policy on the disposal or disposition (including selling, donating, returning upon lease end, or destroying by recycling), of all technology assets which may have personal and sensitive data of students. Such policy may include a forensic scrub that ensures total destruction of data on the technology assets and include a designated for disposal or disposition, transfer ownership and liability from that institution to State and federally approved recyclers or de-manufacturers of such equipment.

(B) For purposes of this paragraph, the term "technology assets" means a computer central processing unit, monitor, printer, router, server, peripheral devices (such as switches, hubs, and systems), firewalls, telephones, or other simple network devices or single piece of information technology equipment.

* * * * * * *

(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)] *clauses (ii), (iii), and (iv)*, 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); *or*

(iv) with respect to an eligible institution that is audited under clause (i), and for which it is determined through such audit that the percentage of students enrolled at the institution who were accepted for enrollment and made eligible for student financial assistance under this title by way of section 484(d)(2) exceeds 5 percent of the total enrollment of the institution for such academic year, an additional review to confirm that the institution is in compliance with the regulations prescribed by the Secretary under section 484(d);

* * * * * * *

(f) IMPLEMENTATION OF NON-TITLE IV REVENUE REQUIREMENT.—

(1) CALCULATION.—In carrying out subsection (a)(27), a proprietary institution of higher education shall—

(A) use the cash basis of accounting;

(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, to the extent not included in tuition, fees, and other institutional charges, that are necessary for the education or training of its students who are enrolled in programs eligible for assistance under this title, 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, provided that the program is approved or licensed by the appropriate State agency and is accredited by an accrediting agency recognized by the Secretary;

(C) presume that any title IV program funds 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 student'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 Federal, State, or local government agencies for the purpose of providing job training to low-income individuals who are in need of that training; or

(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, provided that the institution can reasonable demonstrate such funds were used to pay the student's tuition, fees, or other institutional charges;

(D) include institutional aid as revenue to the school only as follows:

(i) in the case of institutional loans, only the amount of loan repayments received during the fiscal year; and

(ii) in the case of institutional scholarships, only those 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 the 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) exclude from revenues—

(i) the amount of funds it received under the Federal Work-Study program, unless the institution used those funds to pay a student's institutional charges;

(ii) the amount of funds it received under the Leveraging Education Assistance Partnership program;

(iii) the amount of institutional funds it used to match title IV program funds;

(iv) the amount of title IV program funds that must be refunded or returned; or

(v) the amount charged for books, supplies, and equipment unless the institution includes that amount as tuition, fees, or other institutional charges.

(2) SANCTIONS.—

(A) An institution that fails to meet the requirements of subsection (a)(27) for 2 consecutive fiscal years shall become ineligible to participate in the programs authorized by this title. To regain eligibility to participate in the programs authorized by this title, an institution that loses its eligibility as a sanction under this subparagraph must demonstrate compliance with all eligibility requirements for at least the 3 fiscal years following the fiscal year the institution became ineligible.

(B) In addition to such other means of enforcing the requirements of this title as may be available to the Secretary, if an institution fails to meet the requirements of subsection (a)(27) in any fiscal year, the Secretary shall impose sanctions on the institution, which shall include—

(i) placing the institution on provisional certification in accordance with section 498(h) until the institution demonstrates, to the satisfaction of the Secretary, that it is in compliance with subsection (a)(27);

(ii) requiring the institution to provide to the Secretary satisfactory evidence of its financial responsibility in accordance with section 498(c)(3); and

(iii) requiring such other increased monitoring and reporting requirements as the Secretary determines necessary until the institution demonstrates, to the satisfaction of the Secretary, that it is in compliance with subsection (a)(27).

(3) PUBLICATION ON COLLEGE NAVIGATOR WEBSITE.—The Secretary shall publicly disclose the identity of any institution that fails to meet the requirements of subsection (a)(27) on the College Navigator website.

(4) REPORT TO CONGRESS.—The Secretary shall annually submit to the authorizing committees a report that contains, for each institution subject to the requirement of subsection (a)(27), the result of the calculation of revenue performed by each such institution pursuant to such subsection and paragraph (1) of this subsection.

SEC. 487A. REGULATORY RELIEF AND IMPROVEMENT.

(a) QUALITY ASSURANCE PROGRAM.—

(1) * * *

* * * * * * *

(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 [Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives] *authorizing committees*.

(b) REGULATORY IMPROVEMENT AND STREAMLINING EXPERIMENTS.—

[(1) IN GENERAL.—The Secretary may continue any experimental sites in existence on the date of enactment of the Higher Education Amendments of 1998. Any activities approved by the Secretary prior to such date that are inconsistent with this section shall be discontinued not later than June 30, 1999.]

(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 activities 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, 2009.

[(2) REPORT.—The Secretary shall review and evaluate the experience of institutions participating as experimental sites during the period of 1993 through 1998 under this section (as such section was in effect on the day before the date of enactment of the Higher Education Amendments of 1998), and shall submit a report based on this review and evaluation to the Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives not later than 6 months after the enactment of the Higher Education Amendments of 1998. Such report shall include—]

(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.—[Upon the submission of the report required by paragraph (2), the] *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) CONSULTATION.—Prior to approving any additional experimental sites, the Secretary shall consult with the Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives and shall provide to such Committees—

[(i) a list of institutions proposed for participation in the experiment and the specific statutory or regulatory waivers proposed to be granted to each institution;

[(ii) a statement of the objectives to be achieved through the experiment; and

[(iii) an identification of the period of time over which the experiment is to be conducted.]

[(C)] *(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*.

* * * * * * *

SEC. 491. ADVISORY COMMITTEE ON STUDENT FINANCIAL ASSISTANCE.

(a) ESTABLISHMENT AND PURPOSE.—(1) * * *

(2) The purpose of the Advisory Committee is—

(A) * * *

(B) to provide technical expertise with regard to systems of needs analysis and application forms; [and]

(C) to make recommendations that will result in the maintenance of access to postsecondary education for low- and middle-income students[.]*;*

(D) to provide knowledge and understanding of early intervention programs and make recommendations that will result in early awareness by low- and moderate-income students and families of their eligibility for assistance under this title, and, to the extent practicable, their eligibility for other forms of State and institutional need-based student assistance; and

(E) to make recommendations that will expand and improve partnerships among the Federal Government, States, institutions, and private entities to increase the awareness and total

amount of need-based student assistance available to low- and moderate-income students.

* * * * * * *

(d) FUNCTIONS OF THE COMMITTEE.—The Advisory Committee shall—

(1) * * *

* * * * * * *

(6) recommend to the Congress and to the Secretary such studies, surveys, and analyses of student financial assistance programs, policies, and practices, including the special needs of low-income, disadvantaged, and nontraditional students, and the means by which the needs may be met[, but nothing in this section shall authorize the committee to perform such studies, surveys, or analyses];

* * * * * * *

(8) appraise the adequacies and deficiencies of current student financial aid information resources and services and evaluate the effectiveness of current student aid information programs; [and]

(9) monitor the adequacy of total need-based aid available to low- and moderate-income students from all sources, assess the implications for access and persistence, and report those implications annually to Congress and the Secretary; and

[(9)] *(10)* make special efforts to advise Members of Congress and such Members' staff of the findings and recommendations made pursuant to this paragraph.

* * * * * * *

(j) SPECIAL ANALYSES AND ACTIVITIES.—The Advisory Committee shall—

(1) monitor and evaluate the modernization of student financial aid systems and delivery processes[, including the implementation of a performance-based organization within the Department, and report to Congress regarding such modernization on not less than an annual basis] *and simplification*, including recommendations for improvement;

* * * * * * *

(4) assess the implications of distance education on student eligibility and other requirements for financial assistance under this title, and make recommendations that will enhance access to postsecondary education through distance education while maintaining access, through on-campus instruction at eligible institutions, and program integrity; [and]

(5) not later than 6 months after the date of enactment of the College Opportunity and Affordability Act of 2007, advise the Secretary on means to implement the activities under section 415E, and the Advisory Committee shall continue to monitor, evaluate, and make recommendations on the progress of partnerships that receive allotments under such section; and

[(5)] *(6)* make recommendations to the Secretary regarding redundant or outdated provisions of and regulations under this Act, consistent with the Secretary's requirements under section 498B.

(k) TERM OF THE COMMITTEE.—Notwithstanding the sunset and charter provisions of the Federal Advisory Committee Act (5 U.S.C. App. I) or any other statute or regulation, the Advisory Committee shall be authorized until October 1, [2004] *2011*.

SEC. 492. REGIONAL MEETINGS AND NEGOTIATED RULEMAKING.

(a) * * *

(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 as amended by the Higher Education Amendments of 1998 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)] *from individuals who are nominated by groups described in subsection (a)(1) and who have recognized legitimacy as designated representatives of major stakeholders, sectors, and constituencies in the higher education community*, and shall include both representatives of such groups from Washington, D.C., and industry participants. To the extent possible, the Secretary shall select individuals 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.

* * * * * * *

SEC. 493C. INCOME-BASED REPAYMENT.

(a) * * *

(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 is already 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;

* * * * * * *

SEC. 494. CAMPUS-BASED DIGITAL THEFT PREVENTION.

(a) IN GENERAL.—Each eligible institution participating in any program under this title shall to the extent practicable—

(1) make publicly available to their students and employees, the policies and procedures related to the illegal downloading and distribution of copyrighted materials required to be disclosed under section 485(a)(1)(P); and

(2) develop a plan for offering alternatives to illegal downloading or peer-to-peer distribution of intellectual property

as well as a plan to explore technology-based deterrents to prevent such illegal activity.

(b) 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, 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 a 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.

(2) AWARDS.—Grants and contracts shall be awarded under paragraph (1) on a competitive basis.

(3) APPLICATIONS.—An institution of higher education or a consortium of such institutions 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) 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 for each of the 4 succeeding fiscal years.

* * * * * * *

PART H—PROGRAM INTEGRITY

* * * * * * *

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) * * *

* * * * * * *

(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 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, 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 in the areas identified in paragraph (5), except that the agency or association shall not be required to have separate standards, procedures or policies for the evaluation of distance education institutions or programs in order to meet the requirements of this subparagraph; and

(ii) the agency or association requires an institution that offers distance education to have processes through which the institution establishes that the student who registers in a distance education course or program is the same student who participates in and completes the program and receives the academic credit;

* * * * * * *

[(6) such agency or association shall apply procedures throughout the accrediting process, including evaluation and withdrawal proceedings, that comply with due process, including—

[(A) adequate specification of requirements and deficiencies at the institution of higher education or program being examined;

[(B) notice of an opportunity for a hearing by any such institution;

[(C) the right to appeal any adverse action against any such institution; and

[(D) the right to representation by counsel for any such institution;]

(6) such 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 for—

(A) adequate specification of requirements, including clear and consistent standards for an institution to be accredited, and deficiencies at the institution of higher education or program examined;

(B) an opportunity for a written response by any such institution to be included, prior to final action, in the evaluation and withdrawal proceedings;

(C) upon the written request of an institution, an opportunity for the institution to appeal any adverse action, including denial, withdrawal, suspension, or termination of accreditation, at a hearing prior to such action becoming final, before an appeals panel that—

(i) shall not include current members of the agency or association's underlying decision-making body that made the adverse decision; and

(ii) is subject to a conflict of interest policy; and

(D) the right to representation by counsel for such an institution during an appeal of the adverse action;

* * * * * * *

[(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.]

(8) such agency or association shall make available to the public and the State licensing or authorizing agency, and submit 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, 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;

(9) such agency or association confirms, as a part of the agency 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;

(10) such agency or association reviews and takes into consideration the institution's response in any review or determination, and includes in any determination a written statement addressing the institution's response and stating the basis for such determination, and a copy of the institution's response; and

(11) such agency or association shall not make a determination or take adverse action based upon an unpublished or undocumented policy, practice, or precedent.

* * * * * * *

(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*;

(2) monitors the growth of programs at institutions that are experiencing significant enrollment growth;

(3) requires an institution to submit a teach-out plan for approval to the accrediting agency 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(d);

(B) the accrediting agency acts to withdraw, terminate, or suspend the accreditation of an institution; and

(C) the institution notifies the accrediting agency that the institution intends to cease operations;

[(2)**]** *(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;

[(3)**]** *(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;

[(4)**]** *(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;

[(5)**]** *(7)* maintains and makes publicly available written materials regarding standards and procedures for accreditation, appeal procedures, and the accreditation status of each institution subject to its jurisdiction; and

[(6)**]** *(8)* discloses publicly whenever an institution of higher education subject to its jurisdiction is being considered for accreditation or reaccreditation.

* * * * * * *

(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.*

* * * * * * *

(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 subsection (a)(5).*

SEC. 497. ACCREDITATION OMBUDSMAN.

(a) APPOINTMENT.—The Assistant Secretary for Postsecondary Education, in consultation with the Secretary, shall appoint an Accreditation Ombudsman to provide timely assistance to institutions of higher education, accrediting agencies and associations, and other participants in the accreditation process who may have grievances related to the functions described in subsection (c).

(b) PUBLIC INFORMATION.—The Assistant Secretary for Postsecondary Education shall disseminate information about the availability and functions of the Ombudsman to institutions of higher

education, accrediting agencies and associations, and other participants in the accreditation process.

(c) FUNCTIONS OF OMBUDSMAN.—The Ombudsman appointed under this section shall—

(1) in accordance with regulations of the Secretary, receive, review, and attempt to resolve complaints from institutions of higher education, accrediting agencies and associations, and other participants in the accreditation process described in subsection (a), including, as appropriate, attempts to resolve such complaints within the Department of Education and with institutions of higher education, accreditation agencies and associations, and other participants in title IV programs; and

(2) compile and analyze data on institutions of higher education and accrediting agency and association complaints and make appropriate recommendations.

(d) REPORT.—Each year, the Ombudsman shall submit a report to the Assistant Secretary for Postsecondary Education, for inclusion in the annual report under section 114, that describes the activities, and evaluates the effectiveness of the Ombudsman during the preceding year.

Subpart 3—Eligibility and Certification Procedures

* * * * * * *

SEC. 498A. PROGRAM REVIEW AND DATA.

(a) * * *

(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) * * *

* * * * * * *

(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; **[**and**]**

(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 the institution adequate opportunity to review and respond to any program review report or audit finding before any final program review or audit determination is reached, including access to any and all workpapers, notes, documentation, records, or other information relating to the program review report or audit finding;

(7) review and take into consideration the institution's response in any final program review or audit determination, and include in the final determination a written statement addressing the institution's response and stating the basis for such final determination, and 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 para-

graphs (6) and (7) are met, and until a final program review determination has been issued.

* * * * * * *

SEC. 498B. REVIEW OF REGULATIONS.

(a) * * *

* * * * * * *

(d) REPORTS TO CONGRESS.—

(1) IN GENERAL.—The Secretary shall submit, not later than 1 year after the date of the enactment of the Higher Education Amendments of 1998, a report to the ❙Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives❙ *authorizing committees* detailing the Secretary's findings and recommendations based on the reviews conducted under subsections (a) and (b), including a timetable for implementation of any recommended changes in regulations and a description of any recommendations for legislative changes.

(2) ADDITIONAL REPORTS.—Not later than January 1, 2003, the Secretary shall submit a report to the ❙Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives❙ *authorizing committees* detailing the Secretary's findings and recommendations based on the review conducted under subsection (a), including a timetable for implementation of any recommended changes in regulations and a description of any recommendations for legislative changes.

PART I—COMPETITIVE LOAN AUCTION PILOT PROGRAM

SEC. 499. COMPETITIVE LOAN AUCTION PILOT PROGRAM.

(a) * * *

* * * * * * *

(c) REQUIRED INITIAL EVALUATION.—The Secretary and Secretary of the Treasury shall jointly conduct an evaluation, in consultation with the Office of Management and Budget, the Congressional Budget Office, and the Comptroller General, of the pilot program carried out by the Secretary under this section. The evaluation shall determine—

(1) the extent of the savings to the Federal Government that are generated through the pilot program, compared to the cost the Federal Government would have incurred in operating the PLUS loan program under section 428B in the absence of the pilot program;

(2) the number of lenders that participated in the pilot program, and the extent to which the pilot program generated competition among lenders to participate in the auctions under the pilot program;

(3) the number and volume of loans made under the pilot in each State;

(4) the effect of the transition to and operation of the pilot program on the ability of—

(A) lenders participating in the pilot program to originate loans made through the pilot program smoothly and efficiently;

(B) institutions of higher education participating in the pilot program to disburse loans made through the pilot program smoothly and efficiently; and

(C) parents to obtain loans made through the pilot program in a timely and efficient manner;

(5) the differential impact, if any, of the auction among the States, including between rural and non-rural States;

(6) the feasibility of using the mechanism piloted to operate the other loan programs under part B of this title; and

(7) the feasibility of using other market mechanisms to operate the loan programs under part B of this title, including the sale of securities backed by federally owned student loan assets originated by banks acting as agents of the Federal Government.

(d) REPORTS.—The Secretary and the Secretary of the Treasury shall submit to the authorizing committees—

(1) not later than September 1, 2010, a preliminary report regarding the findings of the evaluation described in subsection (c);

(2) not later than September 1, 2012, an interim report regarding such findings; and

(3) not later than September 1, 2013, a final report regarding such findings.

* * * * * * *

TITLE V—DEVELOPING INSTITUTIONS

PART A—HISPANIC-SERVING INSTITUTIONS

* * * * * * *

SEC. 503. AUTHORIZED ACTIVITIES.

(a) * * *

(b) AUTHORIZED ACTIVITIES.—Grants awarded under this section shall be used for one or more of the following activities:

(1) * * *

* * * * * * *

(14) Providing education or financial information designed to improve the financial literacy and economic literacy of students or the students' parents, especially with regard to student indebtedness and student assistance programs under the title IV.

[(14)**]** *(15)* Other activities proposed in the application submitted pursuant to section 504 that—

(A) * * *

* * * * * * *

PART B—PROMOTING POSTBACCALAUREATE OPPORTUNITIES FOR HISPANIC AMERICANS

SEC. 511. PURPOSES.

The purposes of this part are—

(1) to expand postbaccalaureate educational opportunities for, and improve the academic attainment of, Hispanic students; and

(2) to expand the postbaccalaureate academic offerings and enhance the program quality in the institutions that are educating the majority of Hispanic college students and helping large numbers of Hispanic and low-income students complete postsecondary degrees.

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 competitive grants to Hispanic-serving institutions determined by the Secretary to be making substantive contributions to graduate educational opportunities for Hispanic students.

(b) ELIGIBILITY.—For the purposes of this part, an "eligible institution" means an institution of higher education that—

(1) is an eligible institution under section 502(a)(2); and

(2) offers a postbaccalaureate certificate or degree granting program.

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 needy 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 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 learning academic instruction capabilities, including purchase or rental of telecommunications technology equipment or services.

(7) Collaboration with other institutions of higher education to expand postbaccalaureate certificate and 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. 514. APPLICATION AND DURATION.

(a) APPLICATION.—Any eligible institution may apply for a grant under this part by submitting an application to the Secretary at such time and in such manner as determined by the Secretary. Such application shall demonstrate how the grant funds will be used to improve postbaccalaureate education opportunities in programs and professions in which Hispanic Americans are underrepresented.

(b) DURATION.—Grants under this part shall be awarded for a period not to exceed 5 years.

(c) LIMITATION.—The Secretary shall not award more than one grant under this part in any fiscal year to any Hispanic-serving institution.

PART [B] *C*—GENERAL PROVISIONS

SEC. [511.] *521.* ELIGIBILITY; APPLICATIONS.

(a) * * *

* * * * * * *

SEC. [512.] *522.* WAIVER AUTHORITY AND REPORTING REQUIREMENT.

(a) * * *

* * * * * * *

SEC. [513.] *523.* APPLICATION REVIEW PROCESS.

(a) * * *

* * * * * * *

SEC. [514.] *524.* COOPERATIVE ARRANGEMENTS.

(a) GENERAL AUTHORITY.—The Secretary may make grants to encourage cooperative arrangements with funds available to carry out this title, between Hispanic-serving institutions eligible for assistance under this title, and between such institutions and institutions not receiving assistance under this title, for the activities described in section 503 *and section 513* so that the resources of the cooperating institutions might be combined and shared in order to achieve the purposes of this title, to avoid costly duplicative efforts, and to enhance the development of Hispanic-serving institutions.

* * * * * * *

SEC. [515.] *525.* ASSISTANCE TO INSTITUTIONS UNDER OTHER PROGRAMS.

(a) * * *

* * * * * * *

SEC. [516.] *526.* LIMITATIONS.

The funds appropriated under section 518 may not be used—

(1) * * *

* * * * * * *

SEC. [517.] *527.* PENALTIES.

Whoever, being an officer, director, agent, or employee of, or connected in any capacity with, any recipient of Federal financial assistance or grant pursuant to this title embezzles, willfully

misapplies, steals, or obtains by fraud any of the funds that are the subject of such grant or assistance, shall be fined not more than $10,000 or imprisoned for not more than 2 years, or both.

SEC. [518.] *528.* AUTHORIZATIONS OF APPROPRIATIONS.

[(a) AUTHORIZATIONS.—There are authorized to be appropriated to carry out this title $62,500,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years.]

(a) AUTHORIZATIONS.—

(1) PART A.—There are authorized to be appropriated to carry out part A and part C of this title $175,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(2) PART B.—There are authorized to be appropriated to carry out part B of this title $125,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

* * * * * * *

(c) MINIMUM GRANT AMOUNT.—The minimum amount of a grant under this title shall be $200,000.

TITLE VI—INTERNATIONAL EDUCATION PROGRAMS

PART A—INTERNATIONAL AND FOREIGN LANGUAGE STUDIES

SEC. 601. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds as follows:

(1) * * *

* * * * * * *

(3) Dramatic [post-Cold War] changes in the world's geopolitical and economic landscapes are creating needs for American expertise and knowledge about a greater diversity of less commonly taught foreign languages and nations of the world.

* * * * * * *

(b) PURPOSES.—The purposes of this part are—

(1)(A) * * *

* * * * * * *

(D) to promote access to research and training overseas[; and], *including through linkages overseas with institutions of higher education and relevant organizations that contribute to the educational programs assisted under this part; and*

* * * * * * *

(3) to coordinate the programs of the Federal Government in the areas of foreign language, area studies, and other international studies, including professional international affairs education and research*, and international business and trade competitiveness*.

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—

[(i) to make grants to institutions of higher education, or combinations thereof, for the purpose of establishing, strengthening, and operating comprehensive foreign language and area or international studies centers and programs; and

[(ii) to make grants to such institutions or combinations for the purpose of establishing, strengthening, and operating a diverse network of undergraduate foreign language and area or international studies 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.

* * * * * * *

(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) * * *

* * * * * * *

(G) summer institutes in the United States or abroad designed to provide language and area training in the center's field or topic; [and]

(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 in students an understanding of science and technology in coordination with foreign language proficiency.

* * * * * * *

(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) * * *

[(B) Programs of linkage or outreach with 2- and 4-year colleges and universities.]

(B) Partnerships or programs of linkage and outreach with 2-year and 4-year colleges and universities, including colleges of education and teacher professional development programs.

(C) Partnerships with local educational agencies and public and private elementary and secondary education schools that are designed to increase student academic achievement in foreign language and knowledge of world regions, and to facilitate the wide dissemination of materials related to area studies.

[(C) Programs of linkage or outreach] *(D) Partnerships or programs of linkage and outreach* with departments or agencies of Federal and State governments.

[(D)] *(E)* Programs of linkage or outreach with the news media, business, professional, or trade associations.

[(E)] *(F)* Summer institutes in [foreign area] *area studies*, foreign language, and other international fields designed to carry out the programs [of linkage and outreach] described in subparagraphs (A), (B), [(C), and (D)] *(D), and (E)*.

(b) GRADUATE *AND UNDERGRADUATE* FELLOWSHIPS FOR FOREIGN LANGUAGE AND AREA OR INTERNATIONAL STUDIES.—

(1) * * *

[(2) ELIGIBLE STUDENTS.—Students receiving stipends described in paragraph (1) shall be individuals who are engaged 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, including predissertation level studies, preparation for dissertation research, dissertation research abroad, and dissertation writing.]

(2) ELIGIBLE STUDENTS.—A student receiving a stipend described in paragraph (1) shall be engaged 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, including predissertation level studies, preparation for dissertation research, dissertation research abroad, and dissertation writing, and—

(A) in the case of graduate fellowships, activities in connection with a program described in this paragraph may include predissertation level studies, preparation for dissertation research, dissertation research abroad, and dissertation writing; or

(B) in the case of undergraduate fellowships, students may be allowed to use their fellowships abroad for intermediate or advanced study of a less commonly taught language.

* * * * * * *

SEC. 603. LANGUAGE RESOURCE CENTERS.

(a) LANGUAGE RESOURCE CENTERS AUTHORIZED.—The Secretary is authorized to make grants to and enter into contracts with institutions of higher education, or [combinations] *consortia* of such institutions, for the purpose of establishing, strengthening, and operating a small number of national language resource and training

centers, which shall serve as resources to improve the capacity to teach and learn foreign languages effectively.

* * * * * * *

(c) CONDITIONS FOR GRANTS.—Grants under this section shall *reflect the purposes of this part and* be made on such conditions as the Secretary determines to be necessary to carry out the provisions of this section.

SEC. 604. UNDERGRADUATE INTERNATIONAL STUDIES AND FOREIGN LANGUAGE PROGRAMS.

(a) INCENTIVES FOR THE CREATION OF NEW PROGRAMS AND THE STRENGTHENING OF EXISTING PROGRAMS IN UNDERGRADUATE INTERNATIONAL STUDIES AND FOREIGN LANGUAGE PROGRAMS.—

(1) AUTHORITY.—The Secretary is authorized to make grants to institutions of higher education, [combinations] *consortia* of such institutions, or partnerships between nonprofit educational organizations and institutions of higher education, to assist such institutions, [combinations] *consortia* or partnerships in planning, developing, and carrying out programs to improve undergraduate instruction in international studies and foreign languages. Such grants shall be awarded to institutions, [combinations] *consortia* or partnerships seeking to create new programs or to strengthen existing programs in foreign languages, area studies, and other international fields.

(2) USE OF FUNDS.—Grants made under this section may be used for Federal share of the cost of projects and activities which are an integral part of such a program, such as—

(A) * * *

(B) teaching, research, curriculum development, faculty training in the United States or abroad, and other related activities, including—

(i) * * *

(ii) preservice and inservice [teacher training] *teacher professional development*;

* * * * * * *

(I) the provision of grants for educational programs abroad that are closely linked to the program's overall goals and have the purpose of promoting foreign language fluency and knowledge of world regions, except that not more than 10 percent of a grant recipient's funds may be used for this purpose;

[(I)] *(J)* the development of programs designed to integrate professional and technical education with foreign languages, area studies, and other international fields;

[(J)] *(K)* the establishment of linkages overseas with institutions of higher education and organizations that contribute to the educational programs assisted under this subsection;

[(K)] *(L)* the conduct of summer institutes in foreign area, foreign language, and other international fields to provide faculty and curriculum development, including the integration of professional and technical education with foreign area and other international studies, and to provide foreign area and other international knowledge or

skills to government personnel or private sector professionals in international activities;

[(L)] *(M)* the development of partnerships between—

(i) * * *

(ii) the private sector, government, or [elementary and secondary education institutions] *local educational agencies and public and private elementary and secondary education schools*,

in order to enhance international knowledge and skills; and

[(M)] *(N)* the use of innovative technology to increase access to international education programs.

* * * * * * *

(4) SPECIAL RULE.—The Secretary may waive or reduce the required non-Federal share for institutions that—

(A) * * *

(B) have submitted a grant application under this section *that demonstrates a need for a waiver or reduction*.

(5) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to applications from institutions of higher education, [combinations] *consortia* or partnerships that require entering students to have successfully completed at least 2 years of secondary school foreign language instruction or that require each graduating student to earn 2 years of postsecondary credit in a foreign language (or have demonstrated equivalent competence in the foreign language) or, in the case of a 2-year degree granting institution, offer 2 years of postsecondary credit in a foreign language.

(6) GRANT CONDITIONS.—Grants under this subsection shall *reflect the purposes of this part and* be made on such conditions as the Secretary determines to be necessary to carry out this subsection.

* * * * * * *

(8) EVALUATION.—The Secretary [may] *shall* establish requirements for program evaluations and require grant recipients to submit annual reports that evaluate the progress and performance of students participating in programs assisted under this subsection.

* * * * * * *

[(c) FUNDING SUPPORT.—The Secretary may use not more than 10 percent of the total amount appropriated for this part for carrying out the purposes of this section.]

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*, including the systematic collection, analysis, and dissemination of data*. Such research and studies may include—

(1) * * *

* * * * * * *

SEC. 606. TECHNOLOGICAL INNOVATION AND COOPERATION FOR FOREIGN INFORMATION ACCESS.

(a) AUTHORITY.—The Secretary is authorized to make grants to institutions of higher education, public or nonprofit private libraries, [or consortia of such institutions or libraries] *or partnerships between such institutions or libraries and nonprofit educational organizations including museums*, to develop innovative techniques or programs using [new] 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.

(b) AUTHORIZED ACTIVITIES.—Grants under this section may be used—

(1) to *acquire and* facilitate access to or preserve foreign information resources in print or electronic forms;

* * * * * * *

(3) to develop [new means of] *new means and standards for* shared electronic access to international data;

* * * * * * *

(6) to assist teachers of less commonly taught languages in acquiring, via electronic and other means, materials suitable for classroom use; [and]

(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 between grant recipients under subsection (a) with libraries, museums, organizations, or institutions of higher education located overseas to facilitate carrying out the purposes of this section; and

(9) to carry out other activities deemed by the Secretary to be consistent with the purposes of this section.

* * * * * * *

(e) SPECIAL RULE.—The Secretary may waive or reduce the required non-Federal share for institutions that—

(1) are eligible to receive assistance under part A or B of title III or under title V; and

(2) have submitted a grant application under this section that demonstrates a need for a waiver or reduction.

SEC. 607. SELECTION OF CERTAIN GRANT RECIPIENTS.

(a) * * *

(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] *missions* 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, generate and disseminate information, and foster debate on international issues.*

* * * * * * *

SEC. 608. EQUITABLE DISTRIBUTION OF CERTAIN FUNDS.

(a) SELECTION CRITERIA.—The Secretary shall make excellence the criterion for selection of grants awarded under section 602. *Grants made under section 602 shall also reflect the purposes of this part.*

* * * * * * *

SEC. 610. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part $80,000,000 for fiscal year [1999] *2009*, and such sums as may be necessary for each of the 4 succeeding fiscal years.

PART B—BUSINESS AND INTERNATIONAL EDUCATION PROGRAMS

* * * * * * *

SEC. 612. CENTERS FOR INTERNATIONAL BUSINESS EDUCATION.

(a) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—The Secretary is authorized to make grants to institutions of higher education, or [combinations] *consortia* of such institutions, to pay the Federal share of the cost of planning, establishing and operating centers for international business education which—

(A) * * *

* * * * * * *

(C) will provide research and training in the international aspects of trade, commerce, *manufacturing software systems, technology management,* and other fields of study.

* * * * * * *

(c) AUTHORIZED ACTIVITIES.—

(1) MANDATORY ACTIVITIES.—Programs and activities to be conducted by centers assisted under this section shall include—

(A) * * *

* * * * * * *

(D) collaborative programs, activities, or research involving other institutions of higher education, local educational agencies, professional associations, businesses, firms, or [combinations] *consortia* thereof, to promote the development of international skills, awareness, and expertise among current and prospective members of the business community and other professionals;

(E) research designed to strengthen and improve the international aspects of business and professional education and to promote integrated curricula; and

* * * * * * *

(2) PERMISSIBLE ACTIVITIES.—Programs and activities to be conducted by centers assisted under this section may include—

(A) * * *

* * * * * * *

(E) outreach activities or consortia with business programs located at other institutions of higher education *(including those that are eligible to receive assistance under part A or B of title III or under title V)* for the purpose of providing expertise regarding the internationalization of such programs, such as assistance in research, curriculum development, faculty development, or educational exchange programs; [and]

(F) programs encouraging the advancement and understanding of cultural, technological management, and manufacturing software systems practices between institutions of higher education in the United States and countries with existing partnerships with other countries, including those in Asian countries focused on this industry; and

[(F)] *(G)* other eligible activities prescribed by the Secretary.

(d) ADVISORY COUNCIL.—

(1) ESTABLISHMENT.—In order to be eligible for assistance under this section, an institution of higher education, or [combination] *consortium* of such institutions, shall establish a center advisory council which will conduct extensive planning prior to the establishment of a center concerning the scope of the center's activities and the design of its programs.

(e) GRANT DURATION; FEDERAL SHARE.—

(1) * * *

* * * * * * *

(5) SPECIAL RULE.—The Secretary may waive or reduce the required non-Federal share for institutions that—

(A) are eligible to receive assistance under part A or B of title III or under title V; and

(B) have submitted a grant application under this section that demonstrates a need for a waiver or reduction, as determined by the Secretary.

(f) GRANT CONDITIONS.—Grants under this section shall be made on such conditions as the Secretary determines to be necessary to carry out the objectives of this section. Such conditions shall include—

(1) evidence that the institution of higher education, or [combination] *consortium* of such institutions, will conduct extensive planning prior to the establishment of a center concerning the scope of the center's activities and the design of its programs in accordance with subsection (d)(1);

* * * * * * *

(4) assurance that the institution of higher education, or [combination] *consortium* of such institutions, will use the assistance provided under this section to supplement and not to supplant activities conducted by institutions of higher education described in subsection (c)(1).

SEC. 613. EDUCATION AND TRAINING PROGRAMS.

(a) * * *

* * * * * * *

(e) SPECIAL RULE.—The Secretary may waive or reduce the required non-Federal share for institutions that—

(1) are eligible to receive assistance under part A or B of title III or under title V; and

(2) have submitted a grant application under this section that demonstrates a need for a waiver or reduction, as determined by the Secretary.

SEC. 614. AUTHORIZATION OF APPROPRIATIONS.

(a) CENTERS FOR INTERNATIONAL BUSINESS EDUCATION.—There are authorized to be appropriated $11,000,000 for the fiscal year [1999] *2009* and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out the provisions of section 612.

(b) EDUCATION AND TRAINING PROGRAMS.—There are authorized to be appropriated $7,000,000 for fiscal year [1999] *2009*, and such sums as may be necessary for the 4 succeeding fiscal years, to carry out the provisions of section 613.

PART C—INSTITUTE FOR INTERNATIONAL PUBLIC POLICY

SEC. 621. [MINORITY FOREIGN SERVICE PROFESSIONAL DEVELOPMENT PROGRAM] *PROGRAM FOR FOREIGN SERVICE PROFESSIONALS.*

(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 significantly increase the numbers of African Americans and other underrepresented minorities in the international service, including private international voluntary organizations and the foreign service of the United States.] *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, the international commercial service, 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) An institution of higher education which serves substantial numbers of African American or other underrepresented minority students.]

(A) A Tribally Controlled College or University or Alaska Native or Native Hawaiian-serving institution eligible for assistance under title III, an institution eligible for assistance under part B of title III, or a Hispanic-serving institution eligible for assistance under title V.

(B) An institution of higher education which serves substantial numbers of underrepresented minority students.

* * * * * * *

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 programs *and promote collaboration with colleges and universities that receive funds under this title*.

* * * * * * *

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 as defined in section 322 of this Act, tribally controlled Indian community colleges as defined in the Tribally Controlled Community College Assistance Act of 1978, *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.

* * * * * * *

SEC. 624. [MASTERS] *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 [a masters degree in international relations. The masters degree program designed by the consortia] *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 as defined in section 322 of this Act, tribally controlled Indian community colleges as defined in the Tribally Controlled Community College Assistance Act of 1978, *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 placements with an international voluntary or government organizations or agencies, including the Agency for International Development, the United States Information Agency, 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**[**; and**]**.

[(4) be assisted by the Interagency Committee on Minority Careers in International Affairs established under subsection (c).**]**

[(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 for Farm and Foreign Agricultural Services of the Department of Agriculture, or the Under Secretary's designee;

[(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;

[(F) the General Counsel of the Agency for International Development, or the General Counsel's designee; and

[(G) the Associate Director for Educational and Cultural Affairs of the United States Information Agency, or the Associate Director'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.]

(c) RALPH J. BUNCHE FELLOWS.—In order to assure the recognition and commitment of individuals from underrepresented student populations who demonstrate special interest in international affairs and language study, eligible students who participate in the internship programs authorized under subsections (a) and (b) shall be known as the Ralph J. Bunche Fellows.

SEC. 626. REPORT.

The Institute shall [annually prepare a report] *prepare a report biennially* on the activities of the Institute and shall submit such report to the Secretary of Education and the Secretary of State.

* * * * * * *

SEC. 628. AUTHORIZATION.

There is authorized to be appropriated $10,000,000 for fiscal year [1999] *2009* and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out this part.

PART D—PREPARING FOR EARLY FOREIGN LANGUAGE INSTRUCTION

SEC. 631. PREPARING FOR EARLY FOREIGN LANGUAGE INSTRUCTION.

(a) DEFINITIONS.—In this section:

(1) ELIGIBLE PARTNERSHIP.—The term "eligible partnership" means a partnership that—

(A) shall include—

(i) a foreign language department of an institution of higher education; and

(ii) a local educational agency; and

(B) may include—

(i) another foreign language or teacher education department of an institution of higher education;

(ii) another local educational agency, or an elementary or secondary school;

(iii) a business;

(iv) a nonprofit organization of demonstrated effectiveness, including a museum;

(v) heritage or community centers for language study;

(vi) language resource centers; or

(vii) the State foreign language coordinator or State educational agency.

(2) HIGH-NEED LOCAL EDUCATIONAL AGENCY.—The term "high-need local educational agency" has the meaning given the term in section 2102 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6602).

(3) ARTICULATED.—The term "articulated" means that each grade level of the foreign language program is designed to sequentially expand on the student achievement of the previous level with a goal toward achieving an established level of language proficiency.

(b) PURPOSE.—The purpose of this section is to improve the performance of students in the study of foreign languages by encouraging States, institutions of higher education, elementary schools, and secondary schools to participate in programs that—

(1) upgrade the status and stature of foreign language teaching by encouraging institutions of higher education to assume greater responsibility for improving foreign language teacher education through the establishment of a comprehensive, integrated system of recruiting and advising such teachers;

(2) focus on education of foreign language teachers as a career-long process that should continuously stimulate teachers' intellectual growth and upgrade teachers' knowledge and skills;

(3) bring foreign language teachers in elementary schools and secondary schools together with linguists or higher education foreign language professionals to increase the subject matter knowledge and improve the teaching skills of teachers through the use of more sophisticated resources that institutions of higher education are better able to provide than such schools; and

(4) develop more rigorous foreign language curricula that contain—

(A) professionally accepted standards for elementary and secondary education instruction;

(B) standards expected for postsecondary study in foreign language; and

(C) articulated foreign language programs from kindergarten through grade 12 that demonstrate increased competence and proficiency over time and grade.

(c) GRANTS TO PARTNERSHIPS.—

(1) IN GENERAL.—The Secretary may award grants, on a competitive basis, to eligible partnerships to enable the eligible partnerships to pay the Federal share of the costs of carrying out the authorized activities described in this section.

(2) DURATION.—The Secretary shall award grants under this section for a period of 5 years.

(3) FEDERAL SHARE.—The Federal share of the costs of the activities assisted under this section shall be—

(A) 75 percent of the costs for the first year that an eligible partnership receives a grant payment under this section;

(B) 65 percent of such costs for the second such year; and

(C) 50 percent of such costs for each of the third, fourth, and fifth such years.

(4) NON-FEDERAL SHARE.—The non-Federal share of the costs of carrying out the authorized activities described in this section may be provided in cash or in kind, fairly evaluated.

(5) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to eligible partnerships—

(A) that include high-need local educational agencies; or

(B) that emphasize the teaching of commonly taught and critical foreign languages in an articulated program that demonstrates increased competency and proficiency over grade and time.

(d) APPLICATIONS.—

(1) IN GENERAL.—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.

(2) CONTENTS.—An application under paragraph (1) shall include—

(A) an assessment of the teacher quality and professional development needs of all the schools and agencies participating in the eligible partnership with respect to the teaching and learning of foreign languages;

(B) a description of how the activities to be carried out by the eligible partnership will be based on a review of relevant research, and an explanation of why the activities are expected to improve student performance and to strengthen the quality of foreign language instruction; and

(C) a description of—

(i) how the eligible partnership will carry out the authorized activities described in subsection (e); and

(ii) the eligible partnership's evaluation and accountability plan as described in subsection (f).

(e) AUTHORIZED ACTIVITIES.—An eligible partnership shall use the grant funds provided under this section for 1 or more of the following activities related to elementary schools or secondary schools:

(1) Creating opportunities for enhanced and ongoing professional development that improves the subject matter knowledge of foreign language teachers.

(2) Recruiting university students with foreign language majors for teaching.

(3) Promoting strong teaching skills for foreign language teachers and teacher educators.

(4) Establishing foreign language summer workshops or institutes (including follow-up) for teachers.

(5) Establishing distance learning programs for foreign language teachers.

(6) Designing programs to prepare a teacher at a school to provide professional development to other teachers at the school and to assist novice teachers at such school, including (if applicable) a mechanism to integrate experiences from a summer workshop or institute.

(7) Developing instruction materials.

(f) EVALUATION AND ACCOUNTABILITY PLAN.—Each eligible partnership receiving a grant under this section shall develop an evaluation and accountability plan for activities assisted under this sec-

tion that includes strong performance objectives. The plan shall include objectives and measures for—

(1) increased participation by students in advanced courses in foreign language;

(2) increased percentages of secondary school classes in foreign language taught by teachers with academic majors in foreign language; and

(3) increased numbers of foreign language teachers who participate in content-based professional development activities.

(g) REPORT.—Each eligible partnership receiving a grant under this section shall annually report to the Secretary regarding the eligible partnership's progress in meeting the performance objectives described in subsection (f).

(h) TERMINATION.—If the Secretary determines that an eligible partnership is not making substantial progress in meeting the performance objectives described in subsection (f) by the end of the third year of a grant under this section, the grant payments shall not be made for the fourth and fifth years of the grant.

(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 for each of the 4 succeeding fiscal years.

PART [D] *E*—GENERAL PROVISIONS

SEC. [631.] *641.* DEFINITIONS.

(a) * * *

* * * * * * *

SEC. 642. EVALUATION, OUTREACH, AND DISSEMINATION.

The Secretary may use not more than one percent of the funds made available for this title for program evaluation, national outreach, and information dissemination activities.

SEC. 643. STUDENT SAFETY.

Applicants seeking funds under this title to support student travel and study abroad shall submit as part of their grant application a description of safety policies and procedures for students participating in the program while abroad.

SEC. 644. SCIENCE AND TECHNOLOGY ADVANCED FOREIGN LANGUAGE EDUCATION GRANT PROGRAM.

(a) PURPOSE.—It is the purpose of this section to support programs in colleges and universities that—

(1) encourage students to develop—

(A) an understanding of science and technology; and

(B) foreign language proficiency; and

(2) foster future international scientific collaboration.

(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.

(c) REGULATIONS AND REQUIREMENTS.—The Secretary shall promulgate regulations for the awarding of grants under subsection (b). Such regulations shall 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; and

(3) other programs, such as summer workshops, that emphasize the intense study of a foreign language and science technology.

(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) SCIENCE.—In this section, the term "science" means any of the natural and physical sciences including chemistry, biology, physics, and computer science. Such term does not include any of the social sciences.

(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. 645. 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 cash, or the fair market value, or both, of the contributions received from a foreign government or private sector corporation, foundation, or any other entity or individual (excluding domestic government entities) during any fiscal year exceeds $1,000,000 in the aggregate; and

(2) the aggregate contribution is intended for use directly or indirectly by a center or program receiving funds under this title.

(b) DATA REQUIRED.—The Secretary shall require of each institution to which this paragraph applies under subsection (a), as part of the Integrated Postsecondary Education Data System (IPEDS) annual data collection, that such institution report the following data:

(1) The names and addresses of any foreign government or private sector corporation, foundation, or any other entity or individual that contributed such amount of cash or such fair market value of other property as described in subsection (a)(1).

(2) The amount of such cash or the fair market value of such property.

(c) EXEMPTION FROM REPORTING.—The Secretary may, at the request of the donor, exempt domestic donors who make anonymous donations from the institutional reporting requirement of subsection (b)(1) to preserve the anonymity of their contribution. The data of institutions shall identify such donors as "anonymous". This exemption does not apply to non-domestic donations.

(d) DEADLINE.—Any report under subsection (b) shall be made no later than such date as the Secretary shall require.

(e) CONSEQUENCES OF FAILURE TO REPORT.—In the case of any institution from which a report is requested under subsection (b), if the Secretary does not receive a report in accordance with the deadline established under subsection (d), the Secretary shall—

(1) make a determination that the institution of higher education has failed to make the report required by this paragraph;

(2) transmit a notice of the determination to Congress; and

(3) publish in the Federal Register a notice of the determination and the effect of the determination on the eligibility of the institution of higher education for contracts and grants under this title.

TITLE VII—GRADUATE AND POSTSECONDARY IMPROVEMENT PROGRAMS

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PART A—GRADUATE EDUCATION PROGRAMS

Subpart 1—Jacob K. Javits Fellowship Program

SEC. 701. AWARD OF JACOB K. JAVITS FELLOWSHIPS.

(a) AUTHORITY AND TIMING OF AWARDS.—The Secretary is authorized to award fellowships in accordance with the provisions of this subpart for graduate study in the arts, humanities, and social sciences by students of superior ability selected on the basis of demonstrated achievement, financial need, and exceptional promise. The fellowships shall be awarded to students who are eligible to receive any grant, loan, or work assistance pursuant to section 484 and intend to pursue a doctoral degree, except that fellowships may be granted to students pursuing a master's degree in those fields in which the master's degree is the terminal highest degree awarded in the area of study. *For purposes of the exception in the preceding sentence, a master's degree in fine arts shall be considered a terminal degree.* All funds appropriated in a fiscal year shall be obligated and expended to the students for fellowships for use in the academic year beginning after July 1 of the fiscal year following the fiscal year for which the funds were appropriated. The fellowships shall be awarded for only 1 academic year of study and shall be renewable for a period not to exceed 4 years of study.

* * * * * * *

(c) INTERRUPTIONS OF STUDY.—The institution of higher education may allow a fellowship recipient to interrupt periods of study for a period not to exceed 12 months for the purpose of work, travel, or independent study away from the campus, if such independent study is supportive of the fellowship recipient's academic program and shall continue payments for those 12-month periods during which the student is pursuing travel or independent study supportive of the recipient's academic program. *In the case of other exceptional circumstances, such as active duty military service or personal or family member illness, the institution of higher edu-*

cation may also permit the fellowship recipient to interrupt periods of study for the duration of the tour of duty (in the case of military service) or not more than 12 months (in any other case), but without payment of the stipend.

* * * * * * *

SEC. 702. ALLOCATION OF FELLOWSHIPS.

(a) FELLOWSHIP BOARD.—

(1) APPOINTMENT.—The Secretary shall appoint a Jacob K. Javits Fellows Program Fellowship Board (hereinafter in this subpart referred to as the "Board") consisting of 9 individuals representative of both public and private institutions of higher education *from diverse geographic regions* who are especially qualified to serve on the Board. In making appointments, the Secretary shall give due consideration to the appointment of individuals who are highly respected in the academic community. The Secretary shall assure that individuals appointed to the Board are broadly representative of a range of disciplines in graduate education in arts, humanities, and social sciences. *The Secretary shall also assure that at least one representative appointed to the Board represents an institution that is eligible for a grant under title III or V of this Act.*

* * * * * * *

SEC. 703. STIPENDS.

(a) AWARD BY SECRETARY.—The Secretary shall pay to individuals awarded fellowships under this subpart such stipends as the Secretary may establish, reflecting the purpose of this program to encourage highly talented students to undertake graduate study as described in this subpart. In the case of an individual who receives such individual's first stipend under this subpart in academic year ⟦1999–2000⟧ *2009–2010* or any succeeding academic year, such stipend shall be set at a level of support equal to that provided by the National Science ⟦Foundation graduate fellowships⟧ *Foundation Graduate Research Fellowship Program on February 1 of such academic year*, except such amount shall be adjusted as necessary so as not to exceed the fellow's demonstrated level of need determined in accordance with part F of title IV.

(b) INSTITUTIONAL PAYMENTS.—

(1) IN GENERAL.—⟦(A) The Secretary shall (in addition to stipends paid to individuals under this subpart) pay to the institution of higher education, for each individual awarded a fellowship under this subpart at such institution, an institutional allowance. Except as provided in subparagraph (B), such allowance shall be, for 1999–2000 and succeeding academic years, the same amount as the institutional payment made for 1998–1999 under section 933(b) (as such section was in effect on the day before the date of enactment of the Higher Education Amendments of 1998) adjusted for 1999–2000 and annually thereafter in accordance with inflation as determined by the Department of Labor's Consumer Price Index for the previous calendar year.⟧ *(A) The Secretary shall (in addition to stipends paid to individuals under this subpart) pay to the institution of higher education, for each individual awarded a fellowship under this subpart at such institution, an institutional allow-*

ance. Except as provided in subparagraph (B), such allowance shall be, for academic year 2009–2010 and succeeding academic years, the same amount as the institutional payment made for academic year 2008–2009, adjusted for academic year 2009–2010 and annually thereafter in accordance with inflation as determined by the Department of Labor's Consumer Price Index for All Urban Consumers for the previous calendar year.

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SEC. 705. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $30,000,000 for fiscal year ⟦1999⟧ *2009* and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out this subpart.

Subpart 2—Graduate Assistance in Areas of National Need

* * * * * * *

SEC. 712. INSTITUTIONAL ELIGIBILITY.

(a) * * *

⟦(b) DESIGNATION OF AREAS OF NATIONAL NEED.—After consultation with appropriate Federal and nonprofit agencies and organizations, the Secretary shall designate areas of national need. In making such designations, the Secretary shall take into account the extent to which the interest in the area is compelling, the extent to which other Federal programs support postbaccalaureate study in the area concerned, and an assessment of how the program could achieve the most significant impact with available resources.⟧

(b) DESIGNATION OF AREAS OF NATIONAL NEED.—After consultation with appropriate Federal and nonprofit agencies and organizations, including the National Science Foundation, the Department of Defense, the Department of Homeland Security, the National Academy of Sciences, and the Bureau of Labor Statistics, the Secretary shall designate areas of national need. In making such designations, the Secretary shall take into consideration—

(1) the extent to which the interest in the area is compelling;

(2) the extent to which other Federal programs support postbaccalaureate study in the area concerned;

(3) an assessment of how the program may achieve the most significant impact with available resources;

(4) an assessment of current and future professional workforce needs of the United States; and

(5) the priority described in subsection (c).

(c) PRIORITY.—The Secretary shall establish a priority for grants in order to prepare individuals for the professorate who will train highly qualified elementary and secondary mathematics and science teachers, special education teachers, and teachers who provide instruction for limited English proficient individuals. Such grants shall offer program assistance and graduate fellowships for—

(1) post baccalaureate study related to teacher preparation and pedagogy in mathematics and science for students who have completed a master's degree or are pursuing a doctorate of philosophy in mathematics or science;

(2) post baccalaureate study related to teacher preparation and pedagogy in special education and English language acquisition and academic proficiency for limited English proficient individuals; and

(3) support of dissertation research in the fields of mathematics, science, special education, or second language pedagogy and second language acquisition.

SEC. 713. CRITERIA FOR APPLICATIONS.

(a) * * *

(b) CONTENTS OF APPLICATIONS.—An academic department, program or unit of an institution of higher education, in the department, program or unit's application for a grant, shall—

(1) * * *

* * * * * * *

(9) provide assurances that the academic department will provide at least 1 year of supervised training in instruction for students; [and]

(10) in the case of an application from a department, program, or unit in education or teacher preparation, provide assurances that such department, program, or unit will collaborate with departments, programs, or units in all content areas to ensure a successful combination of training in both teaching and such content; and

[(10)] *(11)* include such other information as the Secretary may prescribe.

SEC. 714. AWARDS TO GRADUATE STUDENTS.

(a) * * *

(b) AMOUNT OF STIPENDS.—The Secretary shall make payments to institutions of higher education for the purpose of paying stipends to individuals who are awarded fellowships under this subpart. The stipends the Secretary establishes shall reflect the purpose of the program under this subpart to encourage highly talented students to undertake graduate study as described in this subpart. In the case of an individual who receives such individual's first stipend under this subpart in academic year [1999–2000] *2009–2010* or any succeeding academic year, such stipend shall be set at a level of support equal to that provided by the National Science [Foundation graduate fellowships] *Foundation Graduate Research Fellowship Program on February 1 of such academic year*, except such amount shall be adjusted as necessary so as not to exceed the fellow's demonstrated level of need as determined under part F of title IV.

(c) TREATMENT OF INSTITUTIONAL PAYMENTS.—An institution of higher education that makes institutional payments for tuition and fees on behalf of individuals supported by fellowships under this subpart in amounts that exceed the institutional payments made by the Secretary pursuant to [section 716(a)] *section 715(a)* may count such excess toward the amounts the institution is required to provide pursuant to [section 714(b)(2)] *section 713(b)(2)*.

* * * * * * *

SEC. 715. ADDITIONAL ASSISTANCE FOR COST OF EDUCATION.

(a) INSTITUTIONAL PAYMENTS.—

(1) IN GENERAL.—The Secretary shall (in addition to stipends paid to individuals under this subpart) pay to the institution of higher education, for each individual awarded a fellowship under this subpart at such institution, an institutional allowance. Except as provided in paragraph (2), such allowance shall be, for [1999–2000] *2009–2010* and succeeding academic years, the same amount as the institutional payment made for [1998–1999]*–2008–2009* adjusted annually thereafter in accordance with inflation as determined by the Department of Labor's Consumer Price Index *for All Urban Consumers* for the previous calendar year.

* * * * * * *

SEC. 716. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $35,000,000 for fiscal year [1999] *2009* and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out this subpart.

Subpart 3—Thurgood Marshall Legal Educational Opportunity Program

SEC. 721. LEGAL EDUCATIONAL OPPORTUNITY PROGRAM.

(a) PROGRAM AUTHORITY.—The Secretary shall carry out a program to be known as the "Thurgood Marshall Legal Educational Opportunity Program" designed to provide low-income, minority, or disadvantaged *middle and high school* college students with the information, preparation, and financial assistance to gain access to and complete law school study[.] *and admission to law practice.*

(b) ELIGIBILITY.—A *middle and high school or* college student is eligible for assistance under this section if the student is—

(1) * * *

* * * * * * *

(c) CONTRACT OR GRANT AUTHORIZED.—The Secretary is authorized to enter into a contract with, or make a grant to, the Council on Legal Education Opportunity, for a period of not less than 5 years—

(1) to identify *middle and high school students* college students who are from low-income families, are minorities, or are from disadvantaged backgrounds described in subsection (b)(3);

[(2) to prepare such students for study at accredited law schools;]

(2) to prepare such students for study at accredited law schools and assist them with the development of analytical skills and study methods to enhance their success and promote completion of law school;

* * * * * * *

(4) to provide support services to such students who are first-year law students to improve retention and success in law school studies; [and]

(5) to motivate and prepare such students with respect to law school studies and practice in low-income communities[.]*; and*

(6) to award Thurgood Marshall Fellowships to eligible law school students—

(A) who participated in summer institutes authorized by subsection (d) and who are enrolled in an accredited law school; or

(B) who are eligible law school students who have successfully completed a comparable summer institute program certified by the Council on Legal Educational Opportunity.

(d) SERVICES PROVIDED.—In carrying out the purposes described in subsection (c), the contract or grant shall provide for the delivery of services through prelaw information resource centers, summer institutes, midyear seminars, and other educational activities, conducted under this section. Such services may include—

(1) information and counseling regarding—

(A) * * *

* * * * * * *

(D) undergraduate preparatory courses *in analytical skills and study methods* and curriculum selection;

* * * * * * *

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $5,000,000 for fiscal year [1999] *2009* and each of the 4 succeeding fiscal years.

Subpart 4—Patsy T. Mink Fellowship Program

SEC. 722. PATSY T. MINK FELLOWSHIPS.

(a) PURPOSE; DESIGNATION.—

(1) PURPOSE.—It is the purpose of this subpart to provide a program of fellowship awards to assist highly qualified minorities and women to acquire the terminal master's degree or the doctorate degree in academic areas in which such individuals are underrepresented for the purpose of entering the higher education professoriate.

(2) ELIGIBLE INSTITUTIONS.—For purposes of this subpart, the term "eligible institution" means an institution of higher education, or a consortium of such institutions, that offers a program of post baccalaureate study leading to a graduate degree.

(3) DESIGNATION.—Each recipient of a fellowship award from an institution receiving a grant under this subpart shall be known as a Patsy T. Mink Graduate Fellow.

(b) PROGRAM AUTHORIZED.—

(1) GRANTS BY SECRETARY.—

(A) IN GENERAL.—From funds made available under subsection (e), the Secretary shall make grants to eligible institutions of higher education to enable such institutions to make fellowship awards to qualified students in accordance with the provisions of this subpart.

(B) PRIORITY CONSIDERATION.—In making grant awards under this subpart, the Secretary shall consider the applicant institution's prior experience in producing doctorates and terminal master's degree holders who are minorities and females, and shall give priority consideration in making grants under this subpart to those institutions with a demonstrated record of producing minorities and women who have earned such degrees.

(2) DISTRIBUTION AND AMOUNTS OF GRANTS.—

(A) EQUITABLE DISTRIBUTION.—In making such grants the Secretary shall, to the maximum extent feasible, ensure an equitable geographic distribution of awards and an equitable distribution among eligible public and private institutions of higher education that apply for grants under this subpart and that demonstrate the ability to achieve the purpose of this subpart.

(B) SPECIAL RULE.—To the maximum extent practical, the Secretary shall award at least 50 percent of the amount appropriated under this subpart to institutions of higher education eligible for assistance under titles III and V, or to consortia composed of otherwise eligible institutions of higher education and such minority-serving institutions.

(2) DISTRIBUTION AND AMOUNTS OF GRANTS.—

(A) EQUITABLE DISTRIBUTION.—In making such grants the Secretary shall, to the maximum extent feasible, ensure an equitable geographic distribution of awards and an equitable distribution among eligible public and private institutions of higher education that apply for grants under this subpart and that demonstrate the ability to achieve the purpose of this subpart.

(B) SPECIAL RULE.—To the maximum extent practical, the Secretary shall award at least 50 percent of the amount appropriated under this subpart to institutions of higher education eligible for assistance under titles III and V, or to consortia composed of otherwise eligible institutions of higher education and such minority-serving institutions.

(C) ALLOCATION.—In making such grants the Secretary shall, consistent with subparagraphs (A) and (B), allocate appropriated funds to those institutions whose applications indicate the 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 subpart. No grant made under this subpart shall support fewer than fifteen degree candidates consistent with subsection (d)(2).

(D) REALLOTMENT.—Whenever the Secretary determines that an institution of higher education is unable to utilize all of the amounts made available to it under this subpart, the Secretary shall, on such dates during the fiscal year as the Secretary may determine, reallocate such unused amounts to institutions which demonstrate that they can use any reallocated grant funds to make fellowship awards to qualified individuals under this subpart.

(c) APPLICATIONS.—

(1) APPLICATIONS REQUIRED.—Any eligible institution of higher education offering a program of post baccalaureate study leading to a graduate degree that meets the purpose of this subpart may apply for a grant. Each such institution, or consortium of eligible institutions (including those institutions specified in subsection (b)(2)(B)) may make an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(2) SELECTION OF APPLICATIONS.—In selecting applications for the making grants to institutions of higher education, the Secretary shall—

(A) take into account the number and distribution of minority and female faculty nationally, as well as the current and projected need for highly trained individuals—

(i) in all areas of the higher education professoriate; and

(ii) in academic career fields in which minorities and women are underrepresented in the higher education professoriate; and

(B) consider the need to prepare a larger 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 faculties.

(d) FELLOWSHIP TERMS AND CONDITIONS.—

(1) SELECTION OF FELLOWS.—

(A) ELIGIBLE APPLICANTS.—The Secretary shall assure that, in awarding fellowships from funds made available under this subpart, grantee institutions make fellowship awards to individuals who plan to pursue a career in instruction at any institution of higher education that is eligible to participate in title IV programs.

(B) ACADEMIC PROGRESS.—Notwithstanding subparagraph (A), no otherwise eligible student selected for support shall receive a fellowship award—

(i) during periods in which such student is enrolled, unless such student is maintaining satisfactory academic progress in, and devoting full-time to, study or research in the pursuit of the degree for which the fellowship support was awarded; or

(ii) if the student 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 student's progress toward the appropriate degree.

(2) SERVICE REQUIREMENT.—

(A) TEACHING REQUIRED.—Each Patsy T. Mink Graduate Fellow who earns the doctoral or terminal master's degree with assistance provided under this subpart shall teach at an eligible institution for one year for each year of fellowship assistance received under this subpart.

(B) INSTITUTIONAL OBLIGATION.—Each institution which receives an award from the Secretary under this subpart shall provide an assurance that it has inquired of and determined the fellowship recipient's decision to, within 3 years of receiving the doctorate or terminal master's degree, begin employment at an eligible institution of higher education as required by this subpart.

(C) AGREEMENT REQUIRED.—Prior to receiving the initial fellowship award, and upon the annual renewal of the fellowship award, a fellow shall sign an agreement with the Secretary memorializing this commitment to enter the professoriate.

(D) CONSEQUENCES OF FAILURE.—If a fellowship recipient fails to honor the service requirement of this subsection, the Secretary shall—

(i) require the individual to repay all or the applicable portion of the total fellowship amount awarded to the individual by converting the balance due to a loan at the interest rate applicable to loans made under part B of title IV; or

(ii) require the individual to pay an amount determined by the Secretary to be appropriate, except as provided in subparagraph (E).

(E) MODIFIED SERVICE REQUIREMENT.—The Secretary may waive or modify the service requirement of this paragraph based on regulations, promulgated pursuant to and consistent with criteria which determine the circumstances under which compliance with the service obligation by the fellowship recipient would be inequitable and represent a substantial hardship. The Secretary may waive the service requirement if—

(i) compliance by the fellowship recipient would be deemed impossible because the individual is permanently and totally disabled at the time of the waiver request; or

(ii) compliance by the fellowship recipient is based on documentation presented to the Secretary of substantial economic or personal hardship, as determined in accordance with regulations prescribed by the Secretary.

(3) AMOUNT OF FELLOWSHIP AWARDS.—

(A) IN GENERAL.—From the grants made pursuant to this subpart, eligible institutions shall award stipends to individuals who are awarded fellowships under this subpart. Such stipends shall reflect the purpose of the program authorized by this subpart to encourage highly qualified minorities and women to pursue graduate study for the purpose of entering the higher education professoriate.

(B) AWARDS BASED ON NEED.—Stipends 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 fellow's demonstrated need as determined by the institution of higher education where the graduate student is enrolled.

(4) INSTITUTIONAL PAYMENTS.—

(A) IN GENERAL.—The Secretary shall, in addition to the amounts made available to institutions for stipends to individuals under this subpart, pay to grantee institutions of higher education, for each individual awarded a fellowship under this subpart at such institution, an institutional allowance. Except as provided for in subparagraph (C), such allowance shall be, for academic year 2009–2010 and succeeding academic years, the same as the institutional payment made for that year under the Graduate Assistance in Areas of National Need program in subpart 2 of part A, and shall be adjusted annually thereafter in accordance with inflation as determined by the Department of Labor's

Consumer Price Index for All Urban Consumers for the previous calendar year.

(B) USE OF FUNDS.—Institutional payments may be expended at the discretion of the institution, except that such funds shall be used to provide academic support and career transition services for participating fellows.

(C) REDUCTION.—The institutional allowance paid under subparagraph (A) shall be reduced by the amount the institution charges and collects from a fellowship recipient for tuition and other expenses as part of the institution's instructional program.

(D) USE FOR OVERHEAD PROHIBITED.—Funds made available pursuant to this subpart may not be used for general operational overhead of the academic department or institution receiving such funds.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to appropriated to carry out this subpart such sums as may be necessary for fiscal year 2009 and for each of the 4 succeeding fiscal years.

Subpart [4] *5*—General Provisions

SEC. 731. ADMINISTRATIVE PROVISIONS FOR [SUBPARTS 1, 2, AND 3] *SUBPARTS 1 THROUGH 4.*

(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, 2, and 3] *subparts 1 through 4* 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, 2, and 3] *subparts 1 through 4*, 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.

* * * * * * *

(d) EVALUATION.—The Secretary shall evaluate the success of assistance provided to individuals under [subpart 1, 2, or 3] *subpart 1, 2, 3, or 4* with respect to graduating from their degree programs, and placement in faculty and professional positions.

[(e) CONTINUATION AWARDS.—The Secretary, using funds appropriated to carry out subparts 1 and 2, and before awarding any assistance under such parts to a recipient that did not receive assistance under part C or D of title IX (as such parts were in effect prior to the date of enactment of the Higher Education Amendments of 1998) shall continue to provide funding to recipients of as-

sistance under such part C or D (as so in effect), as the case may be, pursuant to any multiyear award of such assistance.]

PART B—FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION

SEC. 741. FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION.

(a) AUTHORITY.—The Secretary is authorized to make grants to, or enter into contracts with, institutions of higher education, combinations of such institutions, and other public and private nonprofit institutions and agencies, to enable such institutions, combinations, and agencies to improve postsecondary education opportunities by—

[(1) encouraging the reform, innovation, and improvement of postsecondary education, and providing equal educational opportunity for all;]

(1) the encouragement of the reform and improvement of, and innovation in, postsecondary education and the provision of educational opportunity for all, especially for the non-traditional student populations;

(2) the creation of institutions, programs, and joint efforts involving paths to career and professional training, and combinations of academic and experiential learning *for postsecondary students, especially institutions, programs, and joint efforts that provide academic credit for programs*;

[(3) the establishment of institutions and programs based on the technology of communications;]

(3) the establishment of institutions and programs based on the technology of communications, including delivery by distance education;

* * * * * * *

[(6) the introduction of institutional reforms designed to expand individual opportunities for entering and reentering institutions and pursuing programs of study tailored to individual needs;]

(6) the introduction of institutional reforms designed to expand individual opportunities for entering and reentering postsecondary institutions and pursuing programs of postsecondary study tailored to individual needs;

(7) the introduction of reforms in graduate education, in the structure of academic professions, and in the recruitment and retention of faculties; [and]

(8) the creation of new institutions and programs for examining and awarding credentials to individuals, and the introduction of reforms in current institutional practices related thereto[.]*;*

(9) the assessment, in partnership with a public or private nonprofit institution or agency, of the performance of teacher preparation programs within institutions of higher education in a State, using an assessment which provides comparisons across such institutions within the State based upon indicators including teacher candidate knowledge in subject areas in which such candidate has been prepared to teach;

(10) the support of efforts to establish pilot programs and initiatives to help college campuses reduce illegal downloading of copyrighted content, in order to improve the security and integrity of campus computer networks and save bandwidth costs;

(11) the support of increased fire safety in student housing—

(A) by establishing a demonstration incentive program for qualified student housing in institutions of higher education;

(B) by making grants for the purpose of installing fire alarm detection, prevention, and protection technologies in student housing, dormitories, and other buildings controlled by such entities; and

(C) by requiring, as a condition of such grants—

(i) that such technologies be installed professionally to technical standards of the National Fire Protection Association; and

(ii) that the recipient shall provide non-Federal matching funds in an amount equal to the amount of the grant;

(12) the assessment, in partnership with a consortium of higher education organizations, of the feasibility and potential design of an inter-institution monitoring organization on gender and racial equality in campus faculty and administration;

(13) the provision of support and assistance to partnerships between institutions of higher education and secondary schools with at least 10 percent of their enrollment assessed as late-entering limited English proficient students to establish programs that result in increased secondary school graduation rates of limited English proficient students and that increase the number of eligible late-entering limited English proficient students who pursue postsecondary education opportunities;

(14) the provision of support and assistance for demonstration projects to provide comprehensive support services to ensure that homeless students, or students who were in foster care until the age of 18, enroll and succeed in postsecondary education, including providing housing to such students during periods when housing at the institution of higher education is closed or generally unavailable to other students;

(15) the support of efforts to work with organizations that are exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 and institutions of higher education that seek to promote cultural diversity in the entertainment media industry including through the training of students in production, marketing, and distribution of culturally relevant content; and

(16) the creation of consortia that join diverse institutions of higher education to design and offer curricular and co-curricular interdisciplinary programs at the undergraduate and graduate levels, sustained for not less than a 5 year period, that—

(A) focus on poverty and human capability; and

(B) include—

(i) a service-learning component; and

(ii) the delivery of educational services through informational resource centers, summer institutes, mid-year

seminars, and other educational activities that stress the effects of poverty and how poverty can be alleviated through different career paths.

* * * * * * *

(c) SCHOLARSHIP PROGRAM FOR FAMILY MEMBERS OF VETERANS OR MEMBERS OF THE MILITARY.—

(1) AUTHORIZATION.—The Secretary shall contract with a nonprofit organization with demonstrated experience in carrying out the activities described in this subsection to carry out a program to provide postsecondary education scholarships for eligible students.

(2) ELIGIBLE STUDENTS.—In this subsection, the term "eligible student" means an individual who is—

(A)(i) a dependent student who is a child of—

(I) an individual who is—

(aa) serving on active duty during a war or other military operation or national emergency (as defined in section 481); or

(bb) performing qualifying National Guard duty during a war or other military operation or national emergency (as defined in section 481); or

(II) a veteran who died while serving or performing, as described in subclause (I), since September 11, 2001, or has been disabled while serving or performing, as described in subclause (I), as a result of such event; or

(ii) an independent student who—

(I) is a spouse of an individual who is—

(aa) serving on active duty during a war or other military operation or national emergency (as defined in section 481); or

(bb) performing qualifying National Guard duty during a war or other military operation or national emergency (as defined in section 481); or

(II) was (at the time of the death of the veteran) a spouse of a veteran who died while serving or performing, as described in subclause (I), since September 11, 2001, or has been disabled while serving or performing, as described in subclause (I), as a result of such event; and

(B) enrolled as a full-time or part-time student at an institution of higher education (as defined in section 102).

(3) AWARDING OF SCHOLARSHIPS.—Scholarships awarded under this subsection shall be awarded based on need with priority given to eligible students who are eligible to receive Federal Pell Grants under subpart 1 of part A of title IV.

(4) MAXIMUM SCHOLARSHIP AMOUNT.—The maximum scholarship amount awarded to an eligible student under this subsection for an academic year shall be the lesser of—

(A) the difference between the eligible student's cost of attendance (as defined in section 472) and any non-loan based aid such student receives; or

(B) $5,000.

(5) AMOUNTS FOR SCHOLARSHIPS.—All of the amounts appropriated to carry out this subsection for a fiscal year shall be used for scholarships awarded under this subsection, except

that a nonprofit organization receiving a contract under this subsection may use not more than 1 percent of such amounts for the administrative costs of the contract.

(d) CENTER FOR BEST PRACTICES TO SUPPORT SINGLE PARENT STUDENTS.—

(1) PROGRAM AUTHORIZED.—The Secretary is authorized to award 1 grant or contract to an institution of higher education to enable such institution to establish and maintain a center to study and develop best practices for institutions of higher education to support single parents who are also students attending such institutions.

(2) INSTITUTION REQUIREMENTS.—The Secretary shall award the grant or contract under this subsection to a 4-year institution of higher education that has demonstrated expertise in the development of programs to assist single parents who are students at institutions of higher education, as shown by the institution's development of a variety of targeted services to such students, including on-campus housing, child care, counseling, advising, internship opportunities, financial aid, and financial aid counseling and assistance.

(3) CENTER ACTIVITIES.—The center funded under this section shall—

(A) assist institutions implementing innovative programs that support single parents pursuing higher education;

(B) study and develop an evaluation protocol for such programs that includes quantitative and qualitative methodologies;

(C) provide appropriate technical assistance regarding the replication, evaluation, and continuous improvement of such programs; and

(D) develop and disseminate best practices for such programs.

(e) PROHIBITION.—No funds made available under this part may be used to provide financial assistance to students who do not meet the requirements of section 484(a)(5).

SEC. 742. BOARD OF THE FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION.

(a) * * *

(b) MEMBERSHIP.—

[(1) IN GENERAL.—]The Secretary shall designate one of the members of the Board as Chairperson of the Board. A majority of the members of the Board shall be public interest representatives, including students, and a minority shall be educational representatives. All members selected shall be individuals able to contribute an important perspective on priorities for improvement in postsecondary education and strategies of educational and institutional change.

[(2) APPOINTMENT OF DIRECTOR.—The Secretary shall appoint the Director of the Fund for the Improvement of Postsecondary Education (hereafter in this part referred to as the "Director").]

(c) DUTIES.—The Board shall—

(1) advise the Secretary [and the Director] on priorities for the improvement of postsecondary education and make such recommendations as the Board may deem appropriate for the

improvement of postsecondary education and for the evaluation, dissemination, and adaptation of demonstrated improvements in postsecondary educational practice;

(2) advise the Secretary [and the Director] on the operation of the Fund for the Improvement of Postsecondary Education, including advice on planning documents, guidelines, and procedures for grant competitions prepared by the Fund; and

(d) INFORMATION AND ASSISTANCE.—The [Director] *Secretary* shall make available to the Board such information and assistance as may be necessary to enable the Board to carry out its functions.

SEC. 743. ADMINISTRATIVE PROVISIONS.

[(a) TECHNICAL EMPLOYEES.—] The Secretary may appoint, for terms not to exceed 3 years, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, not more than 7 technical employees to administer this part who 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.

[(b) PROCEDURES.—The Director shall establish procedures for reviewing and evaluating grants and contracts made or entered into under this part. Procedures for reviewing grant applications or contracts for financial assistance under this section may not be subject to any review outside of officials responsible for the administration of the Fund for the Improvement of Postsecondary Education.]

SEC. 744. SPECIAL PROJECTS.

(a) GRANT AUTHORITY.—The [Director] *Secretary* is authorized to make grants to institutions of higher education, or consortia thereof, and such other public agencies and nonprofit organizations as the [Director] *Secretary* deems necessary for innovative projects concerning one or more areas of particular national need identified by the [Director] *Secretary*.

* * * * * * *

(c) AREAS OF NATIONAL NEED.—Areas of national need shall initially include, but shall not be limited to, the following:

(1) * * *

* * * * * * *

(5) Establishment of academic programs including graduate and undergraduate courses, seminars and lectures, support of research, and development of teaching materials for the purpose of supporting faculty and academic programs that teach traditional American history (including significant constitutional, political, intellectual, economic, diplomatic, and foreign policy trends, issues, and documents; the history, nature, and development of democratic institutions of which American democracy is a part; and significant events and individuals in the history of the United States).

SEC. 745. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part [$30,000,000 for fiscal year 1999] *$40,000,000 for fiscal year 2009* and such sums as may be necessary for each of the 4 succeeding fiscal years.

[PART C—URBAN COMMUNITY SERVICE

[SEC. 751. FINDINGS.

[The Congress finds that—

[(1) the Nation's urban centers are facing increasingly pressing problems and needs in the areas of economic development, community infrastructure and service, social policy, public health, housing, crime, education, environmental concerns, planning and work force preparation;

[(2) there are, in the Nation's urban institutions, people with underutilized skills, knowledge, and experience who are capable of providing a vast range of services toward the amelioration of the problems described in paragraph (1);

[(3) the skills, knowledge and experience in these urban institutions, if applied in a systematic and sustained manner, can make a significant contribution to the solution of such problems; and

[(4) the application of such skills, knowledge and experience is hindered by the limited funds available to redirect attention to solutions to such urban problems.

[SEC. 752. PURPOSE; PROGRAM AUTHORIZED.

[(a) PURPOSE.—It is the purpose of this part to provide incentives to urban academic institutions to enable such institutions to work with private and civic organizations to devise and implement solutions to pressing and severe problems in their communities.

[(b) PROGRAM AUTHORIZED.—The Secretary is authorized to carry out a program of providing assistance to eligible institutions to enable such institutions to carry out the activities described in section 754 in accordance with the provisions of this part.

[SEC. 753. APPLICATION FOR URBAN COMMUNITY SERVICE GRANTS.

[(a) APPLICATION.—

[(1) IN GENERAL.—An eligible institution seeking assistance under this part shall submit to the Secretary an application at such time, in such form, and containing or accompanied by such information and assurances as the Secretary may require by regulation.

[(2) CONTENTS.—Each application submitted pursuant to paragraph (1) shall—

[(A) describe the activities and services for which assistance is sought; and

[(B) include a plan that is agreed to by the members of a consortium that includes, in addition to the eligible institution, one or more of the following entities:

[(i) A community college.

[(ii) An urban school system.

[(iii) A local government.

[(iv) A business or other employer.

[(v) A nonprofit institution.

[(3) WAIVER.—The Secretary may waive the consortium requirements described in paragraph (2) for any applicant who can demonstrate to the satisfaction of the Secretary that the applicant has devised an integrated and coordinated plan which meets the purpose of this part.

[(b) PRIORITY IN SELECTION OF APPLICATIONS.—The Secretary shall give priority to applications that propose to conduct joint projects supported by other local, State, and Federal programs. In addition, the Secretary shall give priority to eligible institutions submitting applications that demonstrate the eligible institution's commitment to urban community service.

[(c) SELECTION PROCEDURES.—The Secretary shall, by regulation, develop a formal procedure for the submission of applications under this part and shall publish in the Federal Register an announcement of that procedure and the availability of funds under this part.

[SEC. 754. ALLOWABLE ACTIVITIES.

[Funds made available under this part shall be used to support planning, applied research, training, resource exchanges or technology transfers, the delivery of services, or other activities the purpose of which is to design and implement programs to assist urban communities to meet and address their pressing and severe problems, such as the following:

[(1) Work force preparation.

[(2) Urban poverty and the alleviation of such poverty.

[(3) Health care, including delivery and access.

[(4) Underperforming school systems and students.

[(5) Problems faced by the elderly and individuals with disabilities in urban settings.

[(6) Problems faced by families and children.

[(7) Campus and community crime prevention, including enhanced security and safety awareness measures as well as coordinated programs addressing the root causes of crime.

[(8) Urban housing.

[(9) Urban infrastructure.

[(10) Economic development.

[(11) Urban environmental concerns.

[(12) Other problem areas which participants in the consortium described in section 753(a)(2)(B) concur are of high priority in the urban area.

[(13)(A) Problems faced by individuals with disabilities regarding accessibility to institutions of higher education and other public and private community facilities.

[(B) Amelioration of existing attitudinal barriers that prevent full inclusion by individuals with disabilities in their community.

[(14) Improving access to technology in local communities.

[SEC. 755. PEER REVIEW.

The Secretary shall designate a peer review panel to review applications submitted under this part and make recommendations for funding to the Secretary. In selecting the peer review panel, the Secretary may consult with other appropriate Cabinet-level officials and with non-Federal organizations, to ensure that the panel will be geographically balanced and be composed of representatives from public and private institutions of higher education, labor, business, and State and local government, who have expertise in urban community service or in education.

[SEC. 756. DISBURSEMENT OF FUNDS.

[(a) MULTIYEAR AVAILABILITY.—Subject to the availability of appropriations, grants under this part may be made on a multiyear basis, except that no institution, individually or as a participant in a consortium of such institutions, may receive such a grant for more than 5 years.

[(b) EQUITABLE GEOGRAPHIC DISTRIBUTION.—The Secretary shall award grants under this part in a manner that achieves an equitable geographic distribution of such grants.

[(c) MATCHING REQUIREMENT.—An applicant under this part and the local governments associated with the application shall contribute to the conduct of the program supported by the grant an amount from non-Federal funds equal to at least one-fourth of the amount of the grant, which contribution may be in cash or in kind.

[SEC. 757. DESIGNATION OF URBAN GRANT INSTITUTIONS.

[The Secretary shall publish a list of eligible institutions under this part and shall designate these institutions of higher education as "Urban Grant Institutions". The Secretary shall establish a national network of Urban Grant Institutions so that the results of individual projects achieved in one metropolitan area can then be generalized, disseminated, replicated, and applied throughout the Nation. The information developed as a result of this section shall be made available to Urban Grant Institutions and to any other interested institution of higher education by any appropriate means.

[SEC. 758. DEFINITIONS.

[As used in this part:

[(1) URBAN AREA.—The term "urban area" means a metropolitan statistical area having a population of not less than 350,000, or two contiguous metropolitan statistical areas having a population of not less than 350,000, or, in any State which does not have a metropolitan statistical area which has such a population, the eligible entity in the State submitting an application under section 753, or, if no such entity submits an application, the Secretary, shall designate one urban area for the purposes of this part.

[(2) ELIGIBLE INSTITUTION.—The term "eligible institution" means—

[(A) a nonprofit municipal university, established by the governing body of the city in which it is located, and operating as of the date of enactment of the Higher Education Amendments of 1992 under that authority; or

[(B) an institution of higher education, or a consortium of such institutions any one of which meets all of the requirements of this paragraph, which—

[(i) is located in an urban area;

[(ii) draws a substantial portion of its undergraduate students from the urban area in which such institution is located, or from contiguous areas;

[(iii) carries out programs to make postsecondary educational opportunities more accessible to residents of such urban area, or contiguous areas;

[(iv) has the present capacity to provide resources responsive to the needs and priorities of such urban area and contiguous areas;

[(v) offers a range of professional, technical, or graduate programs sufficient to sustain the capacity of such institution to provide such resources; and

[(vi) has demonstrated and sustained a sense of responsibility to such urban area and contiguous areas and the people of such areas.

[SEC. 759. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated $20,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out this part.]

PART C—URBAN-SERVING RESEARCH UNIVERSITIES

SEC. 751. PURPOSE; PROGRAM AUTHORIZED.

(a) PURPOSE.—It is the purpose of this part to provide incentives to urban-serving research universities to enable such universities to expand research knowledge and to develop and implement initiatives in partnership with community-based organizations and other public or nonprofit private entities to strengthen city economies, foster innovation and opportunity, and solve urban challenges.

(b) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants to urban-serving research universities to enable such universities to carry out the activities described in section 753 in accordance with the provisions of this part.

SEC. 752. APPLICATION FOR URBAN-SERVING RESEARCH UNIVERSITY GRANTS.

(a) APPLICATION.—An urban-serving research university seeking assistance under this part shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may reasonably require.

(b) PRIORITY IN SELECTION OF APPLICATIONS.—The Secretary shall give priority to applications that propose to conduct joint projects supported by Federal, State, and local programs other than the program under this Act. In addition, the Secretary shall give priority to urban-serving research universities with a demonstrated record of effective engagement in serving the communities in which such universities are located.

SEC. 753. ALLOWABLE ACTIVITIES.

An urban-serving research university shall use funds awarded under this part to further develop and apply research findings to the development, implementation, and ongoing evaluation of—

(1) systemic initiatives with elementary and secondary schools and other educational organizations designed to—

(A) improve teacher quality and retention; or

(B) develop strategies to improve postsecondary and workplace readiness, particularly in fields related to science, technology, engineering, and mathematics;

(2) innovative economic revitalization efforts in conjunction with community-based organizations and other public or nonprofit private entities; or

(3) public health outreach, education, and intervention activities designed to reduce health disparities in urban areas, in

partnership with community-based organizations and other public or nonprofit private entities.

SEC. 754. DEFINITIONS.

As used in this part:

(1) URBAN AREA.—The term "urban area" means a city with a population of not less than 200,000 within a metropolitan statistical area.

(2) URBAN-SERVING RESEARCH UNIVERSITY.—The term "urban-serving research university" means a public institution of higher education that—

(A) meets the requirements of section 101;

(B) is located in an urban area;

(C) has the capacity to conduct applicable research, as demonstrated by awarding more than 10 doctoral degrees per academic year;

(D) draws a substantial portion of its students from the urban area in which such institution is located; and

(E) has demonstrated and sustained a sense of responsibility to such urban area and the people of such area.

SEC. 755. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part $50,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

PART D—[DEMONSTRATION PROJECTS] *PROGRAMS* TO ENSURE STUDENTS WITH DISABILITIES RECEIVE A QUALITY HIGHER EDUCATION

Subpart 1—Quality Higher Education

SEC. 761. PURPOSES.

It is the purpose of this [part] *subpart* to support model demonstration projects to provide technical assistance or professional development for faculty and administrators in institutions of higher education in order to provide students with disabilities a quality postsecondary education.

SEC. 762. GRANTS AUTHORIZED.

(a) COMPETITIVE GRANTS AUTHORIZED.—The Secretary may award grants, contracts, and cooperative agreements, on a competitive basis, to institutions of higher education, of which at least two such grants shall be awarded to institutions that provide professional development and technical assistance in order for [students with learning disabilities] *students with disabilities* to receive a quality postsecondary education.

(b) DURATION; ACTIVITIES.—

(1) DURATION.—Grants under this [part] *subpart* shall be awarded for a period of 3 years.

(2) AUTHORIZED ACTIVITIES.—Grants under this [part] *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 meth-

ods and strategies*, including methods and strategies consistent with the principles of universal design for learning* to provide faculty and administrators with the skills and supports necessary to teach students with disabilities *in order to improve retention and completion*. Such methods and strategies may include inservice 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, effective, and efficient teaching methods and strategies to ensure the smooth transition of students with disabilities from high school to postsecondary education.

[(B)**]** *(C)* SYNTHESIZING RESEARCH AND INFORMATION.—Synthesizing research and other information related to the provision of postsecondary educational services to students with disabilities.

(D) DISTANCE LEARNING.—The development of innovative, effective, and efficient teaching methods and strategies to provide faculty and administrators with the ability to provide accessible distance education programs or classes that would enhance access of students with disabilities to higher education, including the use of accessible electronic communication for instruction and advisement.

(E) ACCESSIBILITY OF EDUCATION.—Making postsecondary education more accessible to students with disabilities through the use of accessible instructional materials and curriculum development, consistent with the principles of universal design for learning.

[(C)**]** *(F)* PROFESSIONAL DEVELOPMENT AND TRAINING SESSIONS.—Conducting professional development and training sessions for faculty and administrators from other institutions of higher education to enable the faculty and administrators to meet the postsecondary educational needs of students with disabilities.

(3) MANDATORY EVALUATION AND DISSEMINATION.—Grants under this **[**part**]** *subpart* shall be used for evaluation, and dissemination to other institutions of higher education, of the information obtained through the activities described in **[**subparagraphs (A) through (C)**]** *subparagraphs (A) through (F)*.

* * * * * * *

(d) REPORT.—Not later than 3 years after the date of enactment of the College Opportunity and Affordability Act of 2007, the Secretary shall prepare and disseminate a report reviewing the activities of the demonstration projects authorized under this subpart and providing guidance and recommendations on how successful projects can be replicated.

SEC. 763. APPLICATIONS.

Each institution of higher education desiring to receive a grant, contract, or cooperative agreement under this **[**part**]** *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 how such institution plans to address each of the activities required under this part;]

(1) a description of how such institution plans to address the activities allowed under this subpart;

(2) a description of how the institution consulted with a broad range of people within the [institution to develop] *institution, including students with disabilities, to develop* activities for which assistance is sought; [and]

(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 an institution will work to replicate the best practices of institutions of higher education with demonstrated success in serving students with disabilities.

SEC. 764. RULE OF CONSTRUCTION.

Nothing in this [part] *subpart* shall be construed to impose any additional duty, obligation, or responsibility on an institution of higher education or on the institution's faculty, administrators, or staff than are required by section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990.

SEC. 765. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for this [part] *subpart* $10,000,000 for fiscal year[1999] *2009* and such sums as may be necessary for each of the 4 succeeding fiscal years.

Subpart 2—National Technical Assistance Center; Commission on Accessible Materials; Programs to Support Improved Access to Materials

SEC. 766. NATIONAL CENTER.

(a) PURPOSE.—It is the purpose of this subpart to support the development of a national center to provide information and technical assistance for students with disabilities to improve the postsecondary recruitment, retention, and completion success rates of such students.

(b) ESTABLISHMENT AND SUPPORT.—The Secretary shall, by grant, contract, or cooperative agreement with an eligible entity or partnership of two or more eligible entities, provide for the establishment and support of a National Center for Information and Technical Support for Postsecondary Students with Disabilities (hereinafter in this subpart referred to as the "Center") which shall carry out the duties set forth in subsection (d).

(c) ELIGIBLE ENTITY.—In this subpart, the term "eligible entity" means an institution of higher education or a private nonprofit organization with demonstrated expertise in—

(1) supporting postsecondary students with disabilities;

(2) technical knowledge necessary for the accessible dissemination of information; and

(3) working with a diverse range of types of institutions of higher education, including community colleges.

(d) DUTIES.—The duties of the Center shall include the following:

(1) ASSISTANCE TO STUDENTS AND FAMILIES.—The Center shall provide information and technical assistance to students

with disabilities, their families, and disability support service personnel related to practices supporting students across a broad spectrum of disabilities, including—

(A) information to assist prospective students with disabilities in planning their postsecondary academic career while they are in middle and secondary school;

(B) research-based supports, services, and accommodations which are available in postsecondary settings, including services provided by other agencies such as vocational rehabilitation;

(C) information on student mentoring and networking opportunities; and

(D) successful recruitment and transition programs in existence in postsecondary institutions.

(2) ASSISTANCE TO INSTITUTIONS OF HIGHER EDUCATION.—The 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—

(A) collection and dissemination of promising practices and materials for accommodation and support of students with disabilities;

(B) development and provision of training modules for higher education faculty on exemplary practices for accommodating and supporting students with disabilities across a range of academic fields; or

(C) development of Internet-based tutorials for faculty, including graduate teaching assistants and new faculty, on promising practices related to support and retention of students with disabilities in postsecondary education.

(3) INFORMATION COLLECTION AND DISSEMINATION.—The Center shall be responsible for building and maintaining a database of disability support services information with respect to institutions of higher education, which shall be available to the general public through a website built to the highest technical standards of accessibility currently practicable for the broad spectrum of individuals with disabilities. Such database and website shall include information on—

(A) disability documentation requirements;

(B) support services available;

(C) links to financial aid;

(D) accommodations policies;

(E) accessible instructional materials;

(F) other topics relevant to students with disabilities and prospective students with disabilities; and

(G) the information in the report described in paragraph (5).

(4) PROFESSIONAL STANDARDS FOR DISABILITY SUPPORT PERSONNEL.—The Center shall consolidate and disseminate information with respect to professional standards in existence for disability support services personnel and offices in institutions of higher education and shall convene a panel of experts to cre-

ate and disseminate professional standards for such personnel and offices.

(5) REVIEW AND REPORT.—The Center shall annually prepare and disseminate a report analyzing the current condition of postsecondary success for students with disabilities. Such report shall include—

(A) a review of the activities of the programs authorized under this part;

(B) enrollment and graduation rates of students with disabilities in institutions of higher education;

(C) guidance on how successful postsecondary supports and services for students with disabilities could be widely implemented at institutions of higher education;

(D) guidance on how to reduce barriers to full participation for students with disabilities in higher education; and

(E) a description of activities necessary to facilitate a substantial improvement in the postsecondary success of such students.

(e) STAFFING OF THE CENTER.—The Center shall employ disability support personnel with proven expertise in providing training and technical assistance to practitioners. Such personnel shall provide technical assistance to individual colleges and universities seeking to provide appropriate supports and services to students with disabilities to improve enrollment, retention, and completion rates of such students.

SEC. 766A. ESTABLISHMENT OF ADVISORY COMMISSION ON ACCESSIBLE INSTRUCTIONAL MATERIALS IN POSTSECONDARY EDUCATION FOR STUDENTS WITH DISABILITIES.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary shall establish a commission to be known as the Advisory Commission on Accessible Instructional Materials in Postsecondary Education for Students with Disabilities, in this subpart referred to as the "Commission".

(2) MEMBERSHIP.—

(A) The Commission shall include one representative of each of the following:

(i) Department of Education Office of Postsecondary Education.

(ii) Department of Education Office of Special Education and Rehabilitative Services.

(iii) Department of Education Office for Civil Rights.

(iv) Library of Congress National Digital Information and Infrastructure Preservation Program Copyright Working Group.

(v) Association on Higher Education and Disability.

(vi) Association of American Publishers.

(vii) Association of American University Presses.

(viii) National Association of College Stores.

(ix) National Council on Disability.

(B) The Commission shall be composed of at least one but not more than two representatives, as appointed by the Secretary, of each of the following:

(i) Staff from institutions of higher education with demonstrated experience teaching or supporting stu-

dents with print disabilities, representing each of the following:

(I) Large public institution of higher education.

(II) Small public institution of higher education.

(III) Large private institution of higher education.

(IV) Small private institution of higher education.

(V) Large community college.

(VI) Small community college.

(ii) Producers of materials in specialized formats, including each of the following:

(I) Braille.

(II) Audio or synthesized speech.

(III) Digital media.

(iii) Developers of accessibility and publishing software and supporting technologies.

(iv) National organizations serving individuals with visual impairments that have demonstrated experience in technology evaluation research, academic publishing, production of material in accessible formats, and educational methodologies for such for individuals.

(v) Postsecondary students with visual impairment.

(vi) Postsecondary students with dyslexia or other learning disabilities related to reading.

(vii) Attorneys with expertise in copyright law.

(C) The Commission shall include at least two, but not more than three, representatives as appointed by the Secretary, of national membership organizations representing individuals with print disabilities, including each of the following:

(i) Individuals with visual impairments.

(ii) Individuals with learning disabilities related to reading.

(D) The appointments of the members of the Commission shall be made not later than 45 days after the date of enactment of the College Opportunity and Affordability Act of 2007.

(3) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(4) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold the Commission's first meeting.

(5) MEETINGS.—The Commission shall meet at the call of the Chairperson. Meetings shall be publicly announced in advance and open to the public.

(6) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(7) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall select a chairperson and vice chairperson from among the members of the Commission.

(b) DUTIES OF THE COMMISSION.—

(1) STUDY.—

(A) IN GENERAL.—The Commission shall conduct a thorough study to assess the barriers, systemic issues, and technical solutions available which may affect or improve the timely delivery and quality of accessible instructional materials for postsecondary students, faculty, and staff with print disabilities, and make recommendations related to the development of a comprehensive approach that will ensure that postsecondary students with print disabilities can access instructional materials in specialized formats in a timeframe comparable to the availability of standard instructional materials for students without disabilities.

(B) EXISTING INFORMATION.—To the extent practicable, in carrying out the study under this paragraph, the Commission shall identify and use existing research, recommendations, and information from—

(i) the Model Demonstration Programs to Support Improved Access to Postsecondary Instructional Materials for Students with Print Disabilities, as described in section 766B;

(ii) the Advisory Council and the Technical Assistance and Development Centers of the National Instructional Materials Access Center;

(iii) the Library of Congress National Digital Information and Infrastructure Preservation Program Copyright Working Group;

(iv) the Association of Higher Education and Disabilities E-Text Solutions Working Group;

(v) the Recording for the Blind and Dyslexic's Technology Advisory Committee;

(vi) the Association of American Publishers Higher Education Division's Critical Issues Task Force; and

(vii) other existing research related to the creation and distribution of accessible instructional materials for students with print disabilities.

(C) RECOMMENDATIONS.—The Commission shall develop recommendations to be used to inform Federal regulation and legislation, to identify best practices for systems of creating, collecting, maintaining, processing, and disseminating materials in specialized formats to eligible students, faculty, and staff while providing adequate copyright protections. In developing such recommendations, the Commission shall consider—

(i) how to ensure that students with print disabilities may obtain instructional materials in accessible formats within a timeframe comparable to the availability of materials for students without disabilities;

(ii) the feasibility and technical parameters of establishing national standardized electronic file formats such as, but not limited to, the National Instructional Materials Accessibility Standard as defined in section 674(e)(3)(B) of the Individuals with Disabilities Education Act, to be provided by publishers of instructional

materials to producers of specialized formats, institutions of higher education, and eligible students;

(iii) the feasibility of the establishment of a national clearinghouse, repository, or file-sharing network for electronic files in specialized formats and files used in producing instructional materials in specialized formats, and a list of possible entities qualified to administer such a clearinghouse, repository, or network;

(iv) the feasibility of including such a national clearinghouse, repository, or file-sharing network in the duties of the Center described in section 766;

(v) market-based solutions involving collaborations between publishers of instructional materials, producers of specialized formats, and institutions of higher education, including—

(I) barriers and opportunities to market entry;

(II) unique concerns affecting university presses, small publishers, and solutions incorporating such works into a shared system; and

(III) solutions utilizing universal design;

(vi) solutions for low-incidence, high-cost requests for materials in specialized formats; and

(vii) definitions of instructional materials, authorized entities, and eligible students.

(2) REPORT.—Not later than 24 months after the first meeting, the Commission shall submit a report to the Secretary and to Congress that shall contain a detailed statement of the findings and conclusions of the Commission resulting from the study under subsection (a), together with the Commission's recommendations for such legislation and administrative actions as the Commission considers to be appropriate to implement the development of a comprehensive approach that will ensure that postsecondary students with print disabilities can access instructional materials in specialized formats in a timeframe comparable to the availability of standard instructional materials for students without disabilities.

(3) FACILITATION OF EXCHANGE OF INFORMATION.—In carrying out the study under subsection (a), the Commission shall, to the extent practicable, facilitate the exchange of information concerning the issues that are the subject of the study among—

(A) officials of the Federal Government;

(B) educators from Federal, State, and local institutions of higher education and secondary schools;

(C) publishers of instructional materials;

(D) producers of materials in specialized formats;

(E) representatives from the community of individuals with print disabilities; and

(F) participants in the Model Demonstration Programs to Support Improved Access to Postsecondary Instructional Materials for Students with Print Disabilities, as described in section 766B.

(c) COMMISSION PERSONNEL MATTERS.—

(1) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall serve without compensation. All members of the

Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(2) TRAVEL EXPENSES.—The members of the Commission shall be allowed 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.

(3) STAFF.—

(A) IN GENERAL.—The Chairperson of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform the Commission's duties. The employment of an executive director shall be subject to confirmation by the Commission.

(B) COMPENSATION.—The Chairperson of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(4) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(5) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals that do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

(d) TERMINATION OF THE COMMISSION.—The Commission shall terminate on the date that is 90 days after the date on which the Commission submits the Commission's report under subsection (b)(2).

SEC. 766B. MODEL DEMONSTRATION PROGRAMS TO SUPPORT IMPROVED ACCESS TO POSTSECONDARY INSTRUCTIONAL MATERIALS FOR STUDENTS WITH PRINT DISABILITIES.

(a) PURPOSE.—It is the purpose of this section to support model demonstration programs to encourage the development of systems to improve the timely delivery and quality of postsecondary instructional materials in specialized formats to students with print disabilities, including systems to improve efficiency and reduce duplicative efforts across multiple institutions of higher education.

(b) IN GENERAL.—The Secretary shall, on a competitive basis, award grants to, and enter into cooperative agreements with, a minimum of one partnership of two or more eligible entities to support the activities described in subsections (d) and (e).

(c) PARTNERSHIP OF ELIGIBLE ENTITIES.—In this section, a partnership of two or more eligible entities—

(1) shall include—

(A) an institution of higher education with demonstrated expertise in meeting the needs of students with print disabilities, including retention and completion of such students; and

(B) a public or private entity with demonstrated expertise in working with the creation of accessible instructional materials in specialized formats for postsecondary students with print disabilities, and the technical development expertise necessary for the efficient dissemination of such materials, including procedures to protect against copyright infringement with respect to the creation, use, and distribution of print course materials in specialized formats; and

(2) may include one or more publishers of instructional materials.

(d) REQUIRED ACTIVITIES.—The Secretary shall support the development and implementation of the following:

(1) Processes and systems to help identify, and verify eligibility of, postsecondary students with print disabilities in need of instructional materials in specialized formats.

(2) Procedures and systems to facilitate and simplify request methods for accessible instructional materials in specialized formats from eligible students, which may include a single point-of-entry system.

(3) Procedures and systems to coordinate between institutions of higher education, publishers of instructional materials, and entities that produce materials in specialized formats, to efficiently facilitate requests for such materials, the responses to such requests, and the delivery of such materials.

(4) Delivery systems that will ensure the timely provision of instructional materials in specialized formats to eligible students, which may include electronic file distribution.

(5) Systems to encourage reduction of duplicative conversions of the same instructional materials for multiple eligible students at multiple institutions of higher education when such conversions may be shared.

(6) Procedures to protect against copyright infringement with respect to the creation, use, and distribution of instructional materials while maintaining accessibility for students with print disabilities, which may include digital technologies such as watermarking, fingerprinting, and other emerging strategies.

(7) Awareness, outreach, and training activities for faculty, staff, and students related to the acquisition and dissemination of instructional materials in specialized formats and instructional materials utilizing universal design.

(8) Evaluation of the effectiveness of the programs under this section.

(9) Guidance on how successful procedures and systems described in paragraphs (1) through (7) could be disseminated and implemented on a national basis.

(e) AUTHORIZED ACTIVITIES.—The Secretary may support the development and implementation of the following:

(1) Approaches limited to instructional materials used in smaller categories of postsecondary courses, such as introductory, first-, and second-year courses.

(2) Market-based approaches for making instructional materials in specialized formats directly available to eligible students at prices comparable to standard instructional materials.

(3) Approaches supporting a unified search across multiple databases or lists of available materials.

(f) APPLICATION.—A partnership of eligible entities that wishes to apply for a grant under this section shall submit an application for such grant at such time, in such manner and in such format as the Secretary may prescribe. The application shall include information on how the partnership will implement activities under subsection (d) and, as applicable, subsection (e).

(g) PRIORITY.—In awarding grants under this section, the Secretary shall give priority consideration to any applications that include development and implementation of the procedures and systems described in subsection (e)(2) or (e)(3).

(h) REPORT TO CONGRESS.—The Secretary shall submit annually to the authorizing committees a report that includes—

(1) the number of grants and the amount of funds distributed under this section;

(2) a summary of the purposes for which the grants were provided and an evaluation of the progress made under such grants;

(3) a summary of the activities implemented under subsection (d) and, as applicable, subsection (e), including data on the number of students served and the number of instructional material requests executed and delivered in specialized formats; and

(4) an evaluation of the effectiveness of programs funded under this section.

(i) MODEL EXPANSION.—After 3 years, the Secretary shall review the results of the evaluations of participating partnerships, as well as the Commission report described in section 766A. If the Secretary finds that models used under this section are effective in improving the timely delivery and quality of materials in specialized formats and provide adequate protections against copyright infringement, the Secretary may expand the demonstration program to additional grantees reflecting regional and programmatic partnerships.

(j) MODEL EXPANSION SPECIAL RULE.—The Commission's recommendations shall be submitted to the Secretary and a public comment period shall be issued prior to any expansion under subsection (i). No later than 90 days after close of public comment period, the Secretary shall issue guidance to new and existing grantees, taking into consideration the final Commission recommendations and public comments.

(k) RULE OF CONSTRUCTION.—Nothing in this subpart shall be construed to limit or preempt any State law requiring the production or distribution of postsecondary instructional materials in accessible formats to students with disabilities.

SEC. 766C. 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 4 succeeding fiscal years.

Subpart 3—Transition Programs for Students With Intellectual Disabilities Into Higher Education; Coordinating Center

SEC. 767. PURPOSE.

The purpose of this subpart is to support model demonstration programs that promote the successful transition of students with intellectual disabilities into higher education.

SEC. 768. DEFINITIONS.

In this subpart:

(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 is—

(A) offered by an institution of higher education; and

(B) is described in section 484(s)(3).

(2) STUDENT WITH AN INTELLECTUAL DISABILITY.—The term "student with an intellectual disability" means a student who meets the criteria described in paragraphs (1) through (4) of section 484(s).

SEC. 769. MODEL COMPREHENSIVE TRANSITION AND POSTSECONDARY PROGRAMS FOR STUDENTS WITH INTELLECTUAL DISABILITIES.

(a) GRANTS AUTHORIZED.—

(1) IN GENERAL.—The Secretary shall annually award grants, on a competitive basis, to institutions of higher education (or consortia of institutions of higher education), to create or expand high-quality, inclusive model comprehensive transition and postsecondary programs for students with intellectual disabilities.

(2) 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) PREFERENCE.—In awarding grants under this section, the Secretary shall give preference to institutions of higher education (or consortia) that—

(1) will carry out a model program under the grant in a State that does not already have a comprehensive transition and postsecondary program for students with intellectual disabilities; or

(2) in the application submitted under subsection (b), agree to incorporate 1 or more of the following elements into the model programs carried out under the grant:

(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 such housing.

(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 carried out under the grant.

(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, 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 770 in the evaluation of the model program;

(6) partners with 1 or more local educational agencies to support the participation of students with intellectual disabilities in the model program who are still eligible for special education and related services under the Individuals with Disabilities Education Act, including regarding the utilization of funds available under part B of such Act for such students;

(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 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, which may be provided in cash or in kind, in an amount not less than 25 percent of the amount of such grant funds.

(f) REPORT.—Not later than 3 years after the date of enactment of the College Opportunity and Affordability Act of 2007, the Secretary shall prepare and disseminate a report to the authorizing committees and to the public that reviews the activities of the model comprehensive transition and postsecondary programs for students with intellectual disabilities authorized under this subpart and provides guidance and recommendations on how successful programs can be replicated.

SEC. 770. COORDINATING CENTER FOR TECHNICAL ASSISTANCE, EVALUATION, AND DEVELOPMENT OF ACCREDITATION STANDARDS.

(a) IN GENERAL.—

(1) AWARD.—The Secretary shall, on a competitive basis, enter into a cooperative agreement with an eligible entity, for the purpose of establishing a coordinating center for technical assistance, evaluation, and development of accreditation standards for institutions of higher education that offer inclusive model comprehensive transition and postsecondary programs for students with intellectual disabilities.

(2) DURATION.—The cooperative agreement under this section shall be for a period of 5 years.

(b) REQUIREMENTS OF COOPERATIVE AGREEMENT.—The eligible entity entering into a cooperative agreement under this section shall establish and maintain a center that shall—

(1) serve as the technical assistance entity for all model comprehensive transition and postsecondary programs for students with intellectual disabilities assisted under section 769;

(2) provide technical assistance regarding the development, evaluation, and continuous improvement of such programs;

(3) develop an evaluation protocol for such programs that includes qualitative and quantitative methodology measuring student outcomes and program strengths in the areas of academic enrichment, socialization, independent living, and competitive or supported employment;

(4) assist recipients of grants under section 769 in efforts to award a meaningful credential to students with intellectual disabilities upon the completion of such programs, which credential takes into consideration unique State factors;

(5) develop model criteria, standards, and procedures to be used in accrediting such programs that—

(A) include, in the development of the model criteria, standards, and procedures for such programs, the participation of—

(i) an expert in higher education;

(ii) an expert in special education;

(iii) a disability organization that represents students with intellectual disabilities; and

(iv) a national, State, or regional accrediting agency or association recognized by the Secretary under subpart 2 of part H of title IV; and

(B) define 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;

(6) analyze possible funding streams for such programs and provide recommendations regarding funding streams;

(7) develop model memoranda of agreement between institutions of higher education and agencies providing funding for such programs;

(8) develop mechanisms for regular communication between the recipients of grants under section 769 regarding such programs; and

(9) host a meeting of all recipients of grants under section 769 not less often than once each year.

(c) DEFINITION OF ELIGIBLE ENTITY.—In this section, the term "eligible entity" means an entity, or a partnership of entities, that has demonstrated expertise in the fields of higher education, students with intellectual disabilities, the development of comprehensive transition and postsecondary programs for students with intellectual disabilities, evaluation, and technical assistance.

SEC. 770A. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this subpart for fiscal year 2009 and each of the 4 succeeding fiscal years.

PART E—COLLEGE ACCESS CHALLENGE GRANT PROGRAM

SEC. 771. COLLEGE ACCESS CHALLENGE GRANT PROGRAM.

(a) * * *

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(e) SUBGRANTS TO NONPROFIT ORGANIZATIONS.—A State receiving a payment under this section may elect to make a subgrant to one or more nonprofit organizations in the State, including an eligible not-for-profit holder (as defined in section 435(p) of the Higher Education Act of 1965, as amended by section 303 of this Act)*, or those who have agreements with the Secretary under section 435(d)(5)(J)*, or a partnership of such organizations, to carry out activities or services described in subsection (f), if the nonprofit organization or partnership—

(1) * * *

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PART F—NURSING EDUCATION

SEC. 776. ADDITIONAL CAPACITY FOR R.N. STUDENTS OR GRADUATE-LEVEL NURSING STUDENTS.

(a) AUTHORIZATION.—The Secretary shall award grants to institutions of higher education that offer—

(1) a R.N. nursing program at the baccalaureate or associate degree level to enable such program to expand the faculty and facilities of such program to accommodate additional R.N. nursing program students; or

(2) a graduate-level nursing program to accommodate advanced practice degrees for Registered Nurses or to accommodate students enrolled in a graduate-level nursing program to provide teachers of nursing students.

(b) DETERMINATION OF NUMBER OF STUDENTS AND APPLICATION.—Each institution of higher education that offers a program

described in subsection (a) that desires to receive a grant under this section shall—

(1) determine for the 4 academic years preceding the academic year for which the determination is made the average number of matriculated nursing program students at such institution for such academic years; and

(2) submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require, including the average number determined under paragraph (1).

(c) GRANT AMOUNT; AWARD BASIS.—

(1) GRANT AMOUNT.—For each academic year after academic year 2008–2009, the Secretary is authorized to provide to each institution of higher education awarded a grant under this section an amount that is equal to $3,000 multiplied by the number of matriculated nursing program students at such institution for such academic year that is more than the average number determined with respect to such institution under subsection (b)(1). Such amount shall be used for the purposes described in subsection (a).

(2) DISTRIBUTION OF GRANTS AMONG DIFFERENT DEGREE PROGRAMS.—

(A) IN GENERAL.—Subject to subparagraph (B), from the funds available to award grants under this section for each fiscal year, the Secretary shall—

(i) use 20 percent of such funds to award grants under this section to institutions of higher education for the purpose of accommodating advanced practice degrees or students in graduate-level nursing programs;

(ii) use 40 percent of such funds to award grants under this section to institutions of higher education for the purpose of expanding R.N. nursing programs at the baccalaureate degree level; and

(iii) use 40 percent of such funds to award grants under this section to institutions of higher education for the purpose of expanding R.N. nursing programs at the associate degree level.

(B) DISTRIBUTION OF EXCESS FUNDS.—If, for a fiscal year, funds described in clause (i), (ii), or (iii) of subparagraph (A) remain available after the Secretary awards grants under this section to all applicants for the particular category of nursing programs described in such clause, the Secretary shall use equal amounts of the remaining funds to award grants under this section to applicants for the remaining categories of nursing programs.

(C) EQUITABLE DISTRIBUTION.—In awarding grants under this section, the Secretary shall, to the extent practicable, ensure—

(i) an equitable geographic distribution of the grants among the States; and

(ii) an equitable distribution of the grants among different types of institutions of higher education.

(d) PROHIBITION.—

(1) USE OF FUNDS.—Funds provided under this section may not be used for the construction of new facilities.

(2) RULE OF CONSTRUCTION.—Nothing in paragraph (1) shall be construed to prohibit funds provided under this section from being used for the repair or renovation of facilities.

SEC. 777. NURSE FACULTY PILOT PROJECT.

(a) PURPOSES.—The purposes of this section are to create a pilot program—

(1) to provide scholarships to qualified nurses in pursuit of an advanced degree with the goal of becoming faculty members in an accredited nursing program; and

(2) to provide grants to partnerships between accredited schools of nursing and hospitals or health facilities to fund release time for qualified nurse employees, so that those employees can earn a salary while obtaining an advanced degree in nursing with the goal of becoming nurse faculty.

(b) ASSISTANCE AUTHORIZED.—

(1) COMPETITIVE GRANTS AUTHORIZED.—The Secretary may, on a competitive basis, award grants to, and enter into contracts and cooperative agreements with, partnerships composed of an accredited school of nursing at an institution of higher education and a hospital or health facility to establish not more than 5 pilot projects to enable such hospital or health facility to retain its staff of experienced nurses while providing a mechanism to have such nurses become, through an accelerated nursing education program, faculty members of an accredited school of nursing.

(2) DURATION; EVALUATION AND DISSEMINATION.—

(A) DURATION.—Grants under this section shall be awarded for a period of 3 to 5 years.

(B) MANDATORY EVALUATION AND DISSEMINATION.—Grants under this section shall be primarily used for evaluation, and dissemination to other institutions of higher education, of the information obtained through the activities described in subsection (a)(2).

(3) CONSIDERATIONS IN MAKING AWARDS.—In awarding grants and entering into contracts and cooperative agreements under this section, the Secretary shall consider the following:

(A) GEOGRAPHIC DISTRIBUTION.—Providing an equitable geographic distribution of such grants.

(B) RURAL AND URBAN AREAS.—Distributing such grants to urban and rural areas.

(C) 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) PRIOR EXPERIENCE OR EXCEPTIONAL PROGRAMS.—The extent to which institutions of higher education have demonstrated prior experience in providing advanced nursing education programs to prepare nurses interested in pursuing a faculty role.

(4) USES OF FUNDS.—Funds made available by grant, contract, or cooperative agreement under this section may be used—

(A) to develop a new national demonstration initiative to align nursing education with the emerging challenges of healthcare delivery; and

(B) for any one or more of the following innovations in educational programs:

(i) To develop a clinical simulation laboratory in a hospital, health facility, or accredited school of nursing.

(ii) To purchase distance learning technologies.

(iii) To fund release time for qualified nurses enrolled in the graduate nursing program.

(iv) To provide for faculty salaries.

(v) To collect and analyze data on educational outcomes.

(c) APPLICATIONS.—Each partnership desiring to receive a grant, contract, or cooperative agreement 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 assurances that—

(1) the individuals enrolled in the program will be qualified nurses in pursuit of a master's or doctoral degree in nursing and have a contractual obligation with the hospital or health facility that is in partnership with the institution of higher education;

(2) the hospital or health facility of employment will be the clinical site for the accredited school of nursing program;

(3) individuals enrolled in the program will maintain their employment on a part-time basis with the hospital or health facility that allowed them to participate in the program, and will receive an income from the hospital or health facility, as a part-time employee, and release times or flexible schedules to accommodate their class schedule; and

(4) upon completion of the program, such individuals will be required to teach for 2 years in an accredited school of nursing for each year of support the individual received under this program.

(d) DEFINITION.—For purposes of this section, the term "health facility" means an Indian Health Service center, a Native Hawaiian health center, a hospital, a federally qualified health center, a rural health clinic, a nursing home, a home health agency, a hospice program, a public health clinic, a State or local department of public health, a skilled nursing facility, or an ambulatory surgical center.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section not more than $10,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 succeeding fiscal years.

TITLE VIII—ADDITIONAL PROGRAMS

SEC. 800. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title such sums as may be necessary for fiscal year 2009 and each of the 4 succeeding fiscal years.

PART A—LOW TUITION

SEC. 801. INCENTIVES AND REWARDS FOR LOW TUITION.

(a) REWARDS FOR LOW TUITION.—

(1) COMPETITIVE GRANTS.—From funds made available under section 800, the Secretary shall award grants on a competitive basis to institutions of higher education that, for academic year 2008–2009 or any succeeding academic year, have an annual net tuition increase (expressed as a percentage) for the most recent academic year for which satisfactory data is available that is equal to or less than the percentage change in the higher education price index for such academic year.

(2) USE OF FUNDS.—Funds awarded to an institution of higher education under paragraph (1) shall be distributed by the institution in the form of need-based grant aid to students who are eligible for Federal Pell Grants, except that no student shall 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.

(b) REWARDS FOR GUARANTEED TUITION.—

(1) BONUS.—For each institution of higher education that the Secretary determines complies with the requirements of paragraph (2) or (3) of this subsection, the Secretary shall provide to such institution a bonus amount. Such institution shall award the bonus amount in the form of need-based aid first to students who are eligible for Federal Pell Grants who were in attendance at the institution during the award year that such institution satisfied the eligibility criteria for maintaining low tuition and fees, then to students who are eligible for Federal Pell Grants who were not in attendance at the institution during such award year.

(2) 4-YEAR INSTITUTIONS.—An institution of higher education that provides a program of instruction for which it awards a bachelor's degree complies with the requirements of this paragraph if such institution guarantees that for any academic year (or the equivalent) beginning on or after July 1, 2008, and for each of the 4 succeeding continuous academic years, the net tuition charged to an undergraduate student will not exceed—

(A) the amount that the student was charged for an academic year at the time he or she first enrolled in the institution of higher education, plus

(B) the product of the percentage increase in the higher education price index for the prior academic year, or the most recent prior academic year for which data is available, multiplied by the amount determined under subparagraph (A).

(3) LESS-THAN 4-YEAR INSTITUTIONS.—An institution of higher education that does not provide a program of instruction for which it awards a bachelor's degree complies with the requirements of this paragraph if such institution guarantees that for any academic year (or the equivalent) beginning on or after July 1, 2008, and for each of the 1.5 succeeding continuous academic years, the net tuition charged to an undergraduate student will not exceed—

(A) the amount that the student was charged for an academic year at the time he or she first enrolled in the institution of higher education, plus

(B) the product of the percentage increase in the higher education price index for the prior academic year, or the most recent prior academic year for which data is available, multiplied by the amount determined under subparagraph (A).

(c) MAINTAINING AFFORDABLE TUITION.—

(1) INSTITUTION REPORTS.—If an institution of higher education has an increase in annual net tuition (expressed as a percentage), for the most recent academic year for which satisfactory data is available, that is greater than the percentage increase in the higher education price index for such academic year, the institution or a representative association is required to submit to the Secretary the following information, within 6 months of such determination:

(A) A report on the factors contributing to the increase in the institution's costs and the increase in net tuition and fees charged to students, including identification of the major areas in the institution's budget with the greatest cost increases.

(B) The institution's 3 most recent Form 990s submitted to the Internal Revenue Service, as required under section 6033 of the Internal Revenue Code of 1986.

(C) A description of the major areas of expenditures in the institution's budget with the greatest increase for such academic year.

(D) A description of actions being taken by the institution to reduce net tuition.

(2) REPORT TO CONGRESS.—The Secretary shall compile the information submitted under this subsection and shall provide to the authorizing committees an annual report relating to such information.

(d) DEFINITIONS.—In this section:

(1) NET TUITION.—The term "net tuition" means the average tuition and fees charged to a full-time undergraduate student by an institution of higher education for an academic year, minus the average grant amount received by such a student for such academic year.

(2) HIGHER EDUCATION PRICE INDEX.—The term "higher education price index" means the higher education price index developed pursuant to section 133(b).

PART B—COOPERATIVE EDUCATION

SEC. 811. STATEMENT OF PURPOSE; DEFINITION.

(a) PURPOSE.—It is the purpose of this part to award grants to institutions of higher education or combinations of such institutions to encourage such institutions to develop and make available to as many of their students as possible work experience that will aid such students in future careers and will enable such students to support themselves financially while in school.

(b) DEFINITION.—In this part the term "cooperative education" means the provision of alternating or parallel periods of academic

study and public or private employment to give students work experiences related to their academic or occupational objectives and an opportunity to earn the funds necessary for continuing and completing their education.

SEC. 812. RESERVATIONS.

(a) RESERVATIONS.—Of the amount appropriated to carry out this part under section 800 in each fiscal year—

(1) not less than 50 percent shall be available for awarding grants to institutions of higher education and combinations of such institutions described in section 813(a)(1)(A) for cooperative education under section 813;

(2) not less than 25 percent shall be available for awarding grants to institutions of higher education described in section 813(a)(1)(B) for cooperative education under section 813;

(3) not to exceed 11 percent shall be available for demonstration projects under paragraph (1) of section 814(a);

(4) not to exceed 11 percent shall be available for training and resource centers under paragraph (2) of section 814(a); and

(5) not to exceed 3 percent shall be available for research under paragraph (3) of section 814(a).

(b) AVAILABILITY OF APPROPRIATIONS.—Appropriations under this part shall not be available for the payment of compensation of students for employment by employers under arrangements pursuant to this part.

SEC. 813. GRANTS FOR COOPERATIVE EDUCATION.

(a) GRANTS AUTHORIZED.—

(1) IN GENERAL.—The Secretary is authorized, from the amount available to carry out this part under section 800 in each fiscal year and in accordance with the provisions of this part—

(A) to award grants to institutions of higher education or combinations of such institutions that have not received a grant under this paragraph in the 10-year period preceding the date for which a grant under this section is requested to pay the Federal share of the cost of planning, establishing, expanding, or carrying out programs of cooperative education by such institutions or combinations of institutions; and

(B) to award grants to institutions of higher education that are operating an existing cooperative education program as determined by the Secretary to pay the cost of planning, establishing, expanding, or carrying out programs of cooperative education by such institutions.

(2) PROGRAM REQUIREMENT.—Cooperative education programs assisted under this section shall provide alternating or parallel periods of academic study and of public or private employment, giving students work experience related to their academic or occupational objectives and the opportunity to earn the funds necessary for continuing and completing their education.

(3) AMOUNT OF GRANTS.—

(A) The amount of each grant awarded pursuant to paragraph (1)(A) to any institution of higher education or combination of such institutions in any fiscal year shall not exceed $500,000.

(B)(i) Except as provided in clauses (ii) and (iii), the Secretary shall award grants in each fiscal year to each institution of higher education described in paragraph (1)(B) that has an application approved under subsection (b) in an amount which bears the same ratio to the amount reserved pursuant to section 812(a)(2) for such fiscal year as the number of unduplicated students placed in cooperative education jobs during the preceding fiscal year by such institution of higher education (other than cooperative education jobs under section 814 and as determined by the Secretary) bears to the total number of all such students placed in such jobs during the preceding fiscal year by all such institutions.

(ii) No institution of higher education shall receive a grant pursuant to paragraph (1)(B) in any fiscal year in an amount which exceeds 25 percent of such institution's cooperative education program's personnel and operating budget for the preceding fiscal year.

(iii) The minimum annual grant amount which an institution of higher education is eligible to receive under paragraph (1)(B) is $1,000 and the maximum annual grant amount is $75,000.

(4) LIMITATION.—The Secretary shall not award grants pursuant to paragraphs (1)(A) and (B) to the same institution of higher education or combination of such institution in any one fiscal year.

(5) USES.—Grants under paragraph (1)(B) shall be used exclusively—

(A) to expand the quality of and participation in a cooperative education program;

(B) for outreach in new curricular areas; and

(C) for outreach to potential participants including underrepresented and nontraditional populations.

(b) APPLICATIONS.—Each institution of higher education or combination of such institutions desiring to receive a grant under this section shall submit an application to the Secretary at such time and in such manner as the Secretary shall prescribe. Each such application shall—

(1) set forth the program or activities for which a grant is authorized under this section;

(2) specify each portion of such program or activities which will be performed by a nonprofit organization or institution other than the applicant, and the compensation to be paid for such performance;

(3) provide that the applicant will expend during the fiscal year for which the grant is awarded for the purpose of such program or activities not less than the amount expended for such purpose during the previous fiscal year;

(4) describe the plans which the applicant will carry out to assure, and contain a formal statement of the institution's commitment which assures, that the applicant will continue the cooperative education program beyond the 5-year period of Federal assistance described in subsection (c)(1) at a level which is not less than the total amount expended for such program during the first year such program was assisted under this section;

(5) provide that, in the case of an institution of higher education that provides a 2-year program which is acceptable for full credit toward a bachelor's degree, the cooperative education program will be available to students who are certificate or associate degree candidates and who carry at least one-half of the normal full-time academic workload;

(6) provide that the applicant will—

(A) make such reports as may be necessary to ensure that the applicant is complying with the provisions of this section, including reports for the second and each succeeding fiscal year for which the applicant receives a grant with respect to the impact of the cooperative education program in the previous fiscal year, including—

(i) the number of unduplicated student applicants in the cooperative education program;

(ii) the number of unduplicated students placed in cooperative education jobs;

(iii) the number of employers who have hired cooperative education students;

(iv) the income for students derived from working in cooperative education jobs; and

(v) the increase or decrease in the number of unduplicated students placed in cooperative education jobs in each fiscal year compared to the previous fiscal year; and

(B) keep such records as may be necessary to ensure that the applicant is complying with the provisions of this part, including the notation of cooperative education employment on the student's transcript;

(7) describe the extent to which programs in the academic disciplines for which the application is made have had a favorable reception by public and private sector employers;

(8) describe the extent to which the institution is committed to extending cooperative education on an institution-wide basis for all students who can benefit;

(9) describe the plans that the applicant will carry out to evaluate the applicant's cooperative education program at the end of the grant period;

(10) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the applicant under this part;

(11) demonstrate a commitment to serving all underserved populations at the institution; and

(12) include such other information as may be necessary to carry out the provisions of this part.

(c) DURATION OF GRANTS; FEDERAL SHARE.—

(1) DURATION OF GRANTS.—No individual institution of higher education may receive, individually or as a participant in a combination of such institutions—

(A) a grant pursuant to subsection (a)(1)(A) for more than 5 fiscal years; or

(B) a grant pursuant to subsection (a)(1)(B) for more than 5 fiscal years.

(2) FEDERAL SHARE.—The Federal share of a grant under subsection (a)(1)(A) may not exceed—

(A) 85 percent of the cost of carrying out the program or activities described in the application in the first year the applicant receives a grant under this section;

(B) 70 percent of such cost in the second such year;

(C) 55 percent of such cost in the third such year;

(D) 40 percent of such cost in the fourth such year; and

(E) 25 percent of such cost in the fifth such year.

(3) SPECIAL RULE.—Any provision of law to the contrary notwithstanding, the Secretary shall not waive the provisions of this subsection.

(d) MAINTENANCE OF EFFORT.—If the Secretary determines that a recipient of funds under this section has failed to maintain the fiscal effort described in subsection (b)(3), then the Secretary may elect not to make grant payments under this section to such recipient.

(e) FACTORS FOR SPECIAL CONSIDERATION OF APPLICATIONS.—

(1) IN GENERAL.—In approving applications under this section, the Secretary shall give special consideration to applications from institutions of higher education or combinations of such institutions for programs which show the greatest promise of success because of—

(A) the extent to which programs in the academic discipline with respect to which the application is made have had a favorable reception by public and private sector employers;

(B) the strength of the commitment of the institution of higher education or combination of such institutions to cooperative education as demonstrated by the plans and formalized institutional commitment statement which such institution or combination has made to continue the program after the termination of Federal financial assistance;

(C) the extent to which the institution or combination of institutions is committed to extending cooperative education for all students who can benefit; and

(D) such other factors as are consistent with the purposes of this section.

(2) ADDITIONAL SPECIAL CONSIDERATION.—The Secretary shall also give special consideration to applications from institutions of higher education or combinations of such institutions which demonstrate a commitment to serving all underserved populations attending such institutions.

SEC. 814. DEMONSTRATION AND INNOVATION PROJECTS; TRAINING AND RESOURCE CENTERS; AND RESEARCH.

(a) AUTHORIZATION.—The Secretary is authorized, in accordance with the provisions of this section, to make grants and enter into contracts—

(1) from the amounts available in each fiscal year under section 812(a)(3), for the conduct of demonstration projects designed to demonstrate or determine the feasibility or value of innovative methods of cooperative education;

(2) from the amounts available in each fiscal year under section 812(a)(4), for the conduct of training and resource centers designed to—

(A) train personnel in the field of cooperative education;

(B) improve materials used in cooperative education programs if such improvement is conducted in conjunction with other activities described in this paragraph;

(C) furnish technical assistance to institutions of higher education to increase the potential of the institution to continue to conduct a cooperative education program without Federal assistance;

(D) encourage model cooperative education programs which furnish education and training in occupations in which there is a national need;

(E) support partnerships under which an institution carrying out a comprehensive cooperative education program joins with one or more institutions of higher education in order to (i) assist the institution that is not the institution carrying out the cooperative education program to develop and expand an existing program of cooperative education, or (ii) establish and improve or expand comprehensive cooperative education programs; and

(F) encourage model cooperative education programs in the fields of science and mathematics for women and minorities who are underrepresented in such fields; and

(3) from the amounts available in each fiscal year under section 812(a)(5), for the conduct of research relating to cooperative education.

(b) ADMINISTRATIVE PROVISION.—

(1) IN GENERAL.—To carry out this section, the Secretary may—

(A) make grants to or contracts with institutions of higher education, or combinations of such institutions; and

(B) make grants to or contracts with other public or private nonprofit agencies or organizations, whenever such grants or contracts will make an especially significant contribution to attaining the objectives of this section.

(2) LIMITATION.—

(A) The Secretary may not use more than 3 percent of the amount appropriated to carry out this section in each fiscal year to enter into contracts described in paragraph (1)(A).

(B) The Secretary may use not more than 3 percent of the amount appropriated to carry out this section in each fiscal year to enter into contracts described in paragraph (1)(B).

(c) SUPPLEMENT NOT SUPPLANT.—A recipient of a grant or contract under this section may use the funds provided only so as to supplement and, to the extent possible, increase the level of funds that would, in the absence of such funds, be made available from non-Federal sources to carry out the activities supported by such grant or contract, and in no case to supplant such funds from non-Federal sources.

PART C—COLLEGE PARTNERSHIP GRANTS

SEC. 821. COLLEGE PARTNERSHIP GRANTS AUTHORIZED.

(a) GRANTS AUTHORIZED.—From the amount appropriated to carry out this part under section 800, the Secretary shall award grants to eligible partnerships for the purposes of developing and implementing articulation agreements.

(b) ELIGIBLE PARTNERSHIPS.—For purposes of this part, an eligible partnership shall include at least two institutions of higher education, or a system of institutions of higher education, and may include either or both of the following:

(1) A consortia of institutions of higher education.

(2) A State higher education agency.

(c) PRIORITY.—The Secretary shall give priority to eligible partnerships that—

(1) are located in a State that is in compliance with section 486A; or

(2) include—

(A) 1 or more junior or community colleges (as defined by section 312(f) of this Act) that award associate's degrees; and

(B) 1 or more institutions of higher education that offer a baccalaureate or post baccalaureate degree not awarded by the institutions described in subparagraph (A) with which it is partnered.

(d) MANDATORY USE OF FUNDS.—Grants awarded under this part shall be used for—

(1) the development of policies and programs to expand opportunities for students to earn bachelor's degrees, by facilitating the transfer of academic credits between institutions and expanding articulation and guaranteed transfer agreements between institutions of higher education, including through common course numbering and general education core curriculum;

(2) academic program enhancements; and

(3) programs to identify and remove barriers that inhibit student transfers, including technological and informational programs.

(e) OPTIONAL USE OF FUNDS.—Grants awarded under this part may be used for—

(1) support services to students participating in the program, such as tutoring, mentoring, and academic and personal counseling; and

(2) any service that facilitates the transition of students between the partner institutions.

(f) PROHIBITION.—No funds provided under this section shall be used to financially compensate an institution for the purposes of entering into an articulation agreement or for accepting students transferring into such institution.

(g) APPLICATIONS.—Any eligible partnership that desires to obtain a grant under this section shall submit to the Secretary an application at such time, in such manner, and containing such information or assurances as the Secretary may require.

(h) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out this section.

(i) DEFINITION.—For purposes of this section, the term "articulation agreement" means an agreement between institutions of higher education that specifies the acceptability of courses in transfer toward meeting specific degree requirements.

PART D—STUDENT SUCCESS GRANTS

SEC. 826. STUDENT SUCCESS GRANTS.

(a) AUTHORIZATION OF PILOT PROGRAM.—From the amount appropriated to carry out this part under section 800, the Secretary is authorized to award grants on a competitive basis to eligible institutions for the purposes of helping low-income students succeed in persisting in and completing postsecondary education and training programs.

(b) DEFINITIONS.—

(1) ELIGIBLE INSTITUTION.—In this section, the term "eligible institution" means an institution of higher education in which, during the three-year period preceding the year in which the institution is applying for a grant under this section, an average of not less than 50 percent of the institution's entering first-year students are enrolled in developmental courses to bring reading, writing, or mathematics skills up to college-level.

(2) ELIGIBLE STUDENT.—In this section, the term "eligible student" means a student who—

(A) is eligible to receive assistance under section 401;

(B) is a first-year student at the time of entering the pilot program; and

(C) is selected by an eligible institution to participate in the pilot program.

(c) APPLICATION.—An eligible institution 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.

(d) STUDENT SUCCESS GRANT AMOUNT.—For an award year, each institution selected to participate in this pilot program shall receive an amount equal to $1,500 multiplied by the number of students the institution selects to participate in the pilot program in such year. An institution shall not select more than 200 students to participate in the pilot program under this section during such year.

(e) PRIORITY FOR REPLICATION OF EVIDENCE-BASED POLICIES AND PRACTICES.—The Secretary shall give priority to applications submitted by eligible institutions that propose to replicate policies and practices that have proven effective in increasing persistence and completion by low-income students or students in need of developmental education.

(f) PEER REVIEW.—The Secretary shall convene a peer review process 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 include researchers and practitioners who are recognized experts on services and policies to increase low income student success in postsecondary education and training. No member of the committee shall be in a position to benefit financially from the grants to eligible institutions under subsection (d).

(g) MANDATORY USES.—An eligible institution that receives a grant under this section shall use the grant funds to assign a Student Success Coach to every first-year student participating in the pilot program to provide intensive career and academic advising, ongoing personal help in navigating college services such as financial aid and registration, and assistance in connecting to commu-

nity resources that can help students overcome family and personal challenges to success. Student Success Coaches—

(1) shall work with not more than 50 new students during any academic period;

(2) may be employees of academic departments, student services offices, community-based organizations, or other entities as deemed appropriate by the institution; and

(3) shall meet with each eligible student selected for the pilot program before registration for courses.

(h) PERMISSIBLE USES.—An eligible institution that receives a grant under this section may use the grant funds to provide services and program innovations for students participating in the pilot, including the following:

(1) College and career success courses, with tuition and fees for the course covered by the Student Success Grant. These courses may cover college success topics, including how to take notes, how to study, how to take tests, and how to budget time, and may also include a substantial career exploration component. Institutions may use such courses to help students develop a College and Career Success Plan so that by the end of the first semester the students have a clear sense of their career goals and what classes to take to achieve such goals.

(2) Work-study jobs with private employers in the students' fields of study.

(3) Learning communities that ensure that students participating in the pilot are clustered together for at least two courses beginning in the first semester after enrolling and have other opportunities to create and maintain bonds that allow them to provide academic and social support to each other.

(4) Curricular redesign, which may include such innovations as "blended" or accelerated remediation classes that help Student Success Grant recipients to attain college-level reading, writing, math skills (or a combination thereof) more rapidly than traditional remediation formats allow, and intensive skills refresher classes, offered prior to each semester, to help students who have tested into remedial coursework to reach entry level assessment scores for the postsecondary programs they wish to enter.

(5) Instructional support, such as learning labs, supplemental instruction, and tutoring.

(6) Assistance with support services, such as child care and transportation.

(i) GRANT PERIOD; ADDITIONAL TECHNICAL ASSISTANCE.—

(1) GRANT PERIOD.—Grants made under this section shall be for a period of not less than 60 months.

(2) ADDITIONAL TECHNICAL ASSISTANCE.—After 36 months, the Secretary shall review the performance of the Student Success Grant pilot program students at each institution, and if no significant improvements have been made by Student Success Grant pilot program students in persistence and completion at an institution, then the Secretary shall provide additional technical assistance to help the institution improve outcomes.

(j) REQUIRED NON-FEDERAL SHARE.—

(1) IN GENERAL.—Each institution participating in the pilot program under this section shall provide a non-Federal match

of 25 percent of the amount of grant to carry out the activities of the pilot program. The non-Federal share under this section may be provided in cash or in kind.

(2) EFFECT ON NEED ANALYSIS.—For the purpose of calculating a student's need in accordance with part F of this title, services or benefits under this section shall not be considered to be an asset or income of the student or the students parents.

(k) TECHNICAL ASSISTANCE.—The Secretary shall enter into contracts with private entities to provide such technical assistance to grantees under this section as the Secretary determines appropriate.

(l) EVALUATION.—

(1) OUTCOME EVALUATIONS.—The Secretary shall conduct an evaluation of program outcomes under the pilot program, and shall disseminate to the public the findings from the evaluation and information on best practices. The Secretary is encouraged to partner with other providers of funds, such as private foundations, to allow for use of an experimental or quasi-experimental evaluation in at least one of the pilot program sites.

(2) INSTITUTIONAL PARTICIPATION.—As a condition of receiving grants under this section, participating institutions shall work with the evaluator to track persistence and completion outcomes for students in the pilot program, specifically the proportion of these students who take and complete developmental education courses, the proportion who take and complete college-level coursework, and the proportion who complete certificates and degrees. This data shall be broken down by race, ethnicity, and age and the evaluator shall assist institutions in analyzing this data to compare Student Success Grant pilot program participants to comparable nonparticipants, using statistical techniques to control for differences in the groups.

(3) ANNUAL REPORTS.—Participating institutions under this section shall report on the data specified in paragraph (2) annually and the Secretary shall make this data publicly available.

PART E—JOBS TO CAREERS

SEC. 831. GRANTS TO CREATE BRIDGES FROM JOBS TO CAREERS.

(a) AUTHORIZATION OF PROGRAM.—From amounts appropriated to carry out this part under section 800, the Secretary shall award grants, on a competitive basis, to institutions of higher education for the purposes of improving developmental education, including English language instruction, by customizing developmental education to student career goals, and helping students move rapidly from developmental coursework into for-credit occupational program courses and through program completion. The grants under this section shall focus in particular on creating bridges to for-credit occupational certificate programs that are articulated to degree programs.

(b) APPLICATION.—An eligible institution 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.

(c) PRIORITIES.—The Secretary shall give priority to applications that—

(1) are from institutions of higher education in which not less than 50 percent of the institution's entering first-year students who are subject to mandatory assessment, are assessed as needing developmental courses to bring reading, writing, or mathematics skills up to college-level; and

(2) propose to replicate practices that have proven effective with adults or propose to collaborate with adult education providers.

(d) PEER REVIEW.—The Secretary shall convene a peer review process to review applications for grants under this section and to make recommendations to the Secretary regarding the selection of grantees.

(e) MANDATORY ACTIVITY.—An eligible institution that receives a grant under this section shall use the grant funds to create workforce bridge programs that customize developmental education curricula, including English language instruction, to the content of the for-credit occupational certificate or degree programs, or clusters of such programs, in which developmental education students seek to enroll. Such bridge programs may include those that integrate the curricula and the instruction of both developmental and college-level coursework or that dually enroll students in remediation and college-level coursework.

(f) PERMISSIBLE ACTIVITIES.—An eligible institution that receives a grant under this section, in addition to creating workforce bridge programs, may use the grant funds to carry out the following:

(1) Design and implement innovative ways to improve retention in and completion of developmental education courses, including enrolling students in cohorts, accelerating course content, integrating remediation and college-level curricula and instruction, dually enrolling students in developmental and college-level courses, tutoring, providing counseling and other supportive services, and giving small, material incentives for attendance and performance.

(2) In consultation with faculty in the appropriate departments, redesignating class schedules to meet the needs of working adults, such as by creating evening, weekend, modular, compressed, distance-learning formats, or other alternative schedules.

(3) Improving the quality of teaching in remedial courses through professional development, reclassification of such teaching positions, or other means the eligible institution determines appropriate.

(4) Any other activities the eligible institution and the Secretary determine will promote retention of, and completion by, students attending institutions of higher education.

(5) Fully advise students on the range of options and programs available, which may include: diploma; certification; 2-year degree; associate's degree; transfer degree to upper division; and career options.

(g) GRANT PERIOD.—Grants made under this section shall be for a period of not less than 36 months and not more than 60 months.

(h) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to grantees under this section throughout the grant period.

(i) EVALUATION.—The Secretary shall conduct an evaluation of program impacts under the demonstration program, and shall disseminate to the public the findings from the evaluation and information on best practices. The Secretary is encouraged to partner with other providers of funds, such as private foundations, to allow for use of a random assignment evaluation in at least one of the demonstration sites.

(j) DEFINITION OF INSTITUTION.—In this section, the term "institution of higher education" means an institution of higher education as defined in section 101(a).

PART F—PROJECT GRAD

SEC. 836. PROJECT GRAD.

(a) PURPOSES.—The purposes of this part are—

(1) to provide support and assistance to programs implementing integrated education reform services in order to improve secondary school graduation and college attendance and completion rates for disadvantaged students; and

(2) to promote the establishment of new programs to implement such integrated education reform services.

(b) GRANT AUTHORIZED.—From the amount appropriated to carry out this part under section 800, the Secretary is authorized to award a grant to Project GRAD USA (referred to in this part as the "grantee"), a nonprofit educational organization that has as its primary purpose the improvement of secondary school graduation and college attendance and completion rates for disadvantaged students, to implement and sustain the integrated education reform services described in subsection (d)(3) at existing Project GRAD program sites and to promote the expansion of such programs to new sites.

(c) REQUIREMENTS OF GRANT AGREEMENT.—The Secretary shall enter into an agreement with the grantee that requires that the grantee shall—

(1) enter into subcontracts with nonprofit educational organizations that serve a substantial number or percentage of low-income students (referred to in this part as "subcontractors"), under which the subcontractors agree to implement the programs described in subsection (d) 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 college access programs further described in subsection (d)(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 but not limited to activities to further articulate a program for one or more grade levels and across grade levels, to tailor a program for a particular target audience, and 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 college attendance rates for disadvantaged students; and

(F) other activities directly related to improving secondary school graduation and college attendance and completion rates for disadvantaged students; and

(3) use grant funds available under this part to pay—

(A) the amount determined under subsection (f)(1); and

(B) costs associated with carrying out the activities and providing the services, as provided in paragraph (2) of this subsection.

(d) SUPPORTED PROGRAMS.—

(1) DESIGNATION.—The subcontractor programs referred to in subsection (c)(1) 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 grantee—

(A) identify or establish not less than one "feeder pattern" of public schools, where "feeder pattern" is defined as a high school and the elementary schools and middle schools that channel students into that high school; and

(B) provide the integrated educational reform services described in paragraph (3) at the identified feeder pattern or feeder patterns.

(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 college access program that includes—

(i) providing college scholarships for students who meet established criteria;

(ii) proven approaches for increasing student and family college awareness; and

(iii) assistance for such students in applying for higher education financial aid; and

(D) such other services identified by the grantee as necessary to increase secondary school graduation and college attendance and completion rates.

(e) USE OF FUNDS.—Of the funds made available to carry out this part under section 800, not more than 8 percent of such funds, or $4,000,000, whichever is less, shall be used by the grantee to pay for administration of the grant, with the remainder of funds to be used for the purposes described in subsections (c)(1) and (2).

(f) GRANTEE CONTRIBUTION AND MATCHING REQUIREMENT.—

(1) IN GENERAL.—The grantee shall provide to each subcontractor an average of $200 for each pupil served by the subcontractor in the Project GRAD program, adjusted to take into consideration—

(A) the resources available in the area where the subcontractor will implement the Project GRAD program; and

(B) the need for Project GRAD programs in such area to improve student outcomes.

(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 grantee. Such matching funds may be provided in cash or in kind, fairly evaluated.

(3) WAIVER AUTHORITY.—The grantee may waive, in whole or in part, the requirement of paragraph (2) for a subcontractor, if the subcontractor—

(A) demonstrates that it would not otherwise be able to participate in the program; and

(B) enters into an agreement with the grantee with respect to the amount to which the waiver will apply.

(4) DECREASE IN GRANTEE SHARE.—Based on the funds or resources available to a subcontractor, the grantee may elect to provide the subcontractor with an amount that is less than the amount determined under paragraph (1).

(g) EVALUATION.—

(1) EVALUATION BY THE SECRETARY.—The Secretary shall select an independent entity to evaluate, every 3 years, the performance of students who participate in a Project GRAD program under this part. The evaluation shall—

(A) be conducted using a rigorous research design for determining the effectiveness of the Project GRAD programs funded under this part; and

(B) compare reading and mathematics achievement and, where applicable, the secondary school graduation, college attendance, and college completion rates of students who participate in a Project GRAD program funded under this part with those indicators for students of similar backgrounds who do not participate in such program.

(2) EVALUATION BY GRANTEE AND SUBCONTRACTORS.—

(A) IN GENERAL.—The grantee 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 part that includes—

(i) data on the reading and mathematics achievement of students involved in the Project GRAD program;

(ii) statistics on secondary school graduation, college attendance, and college completion rates; and

(iii) such financial reporting as required by the Secretary to review the effectiveness and efficiency of the program.

(B) FORM OF REPORT.—The report shall be in a form and include such content as shall be determined by the grantee, in consultation with the Secretary or the entity selected by the Secretary to evaluate the Project GRAD programs in accordance with paragraph (1).

(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 chairperson and ranking member of the authorizing committees.

(h) DEFINITIONS.—In this part 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 (20 U.S.C. 6313(a)(5)).

PART G—IMPROVING COLLEGE ENROLLMENT BY SECONDARY SCHOOLS

SEC. 841. IMPROVING COLLEGE ENROLLMENT BY SECONDARY SCHOOLS.

(a) IN GENERAL.—From the amount appropriated to carry out this part under section 800, the Secretary shall contract with one nonprofit organization described in subsection (b) to enable the nonprofit organization—

(1) to make publicly available the year-to-year higher education enrollment rate trends of secondary school students, disaggregated by secondary school, in compliance with the Family Education Rights and Privacy Act of 1974;

(2) to identify not less than 50 urban local educational agencies and 5 States with significant rural populations, each serving a significant population of low-income students, and to carry out a comprehensive needs assessment in the agencies and States of the factors known to contribute to improved higher education enrollment rates, which factors shall include—

(A) an evaluation of the local educational agency's and State's leadership strategies;

(B) the secondary school curriculum and class offerings of the local educational agency and State;

(C) the professional development used by the local educational agency and the State to assist teachers, higher education counselors, and administrators in supporting the transition of secondary students into higher education;

(D) secondary school student attendance and other factors demonstrated to be associated with enrollment into higher education;

(E) the data systems used by the local educational agency and the State to measure college enrollment rates and the incentives in place to motivate the efforts of faculty and students to improve student and school-wide outcomes; and

(F) strategies to mobilize student leaders to build a college-bound culture; and

(3) to provide comprehensive services to improve the school-wide higher education enrollment rates of each of not less than 10 local educational agencies and States, with the federally funded portion of each project declining by not less than 20 percent each year beginning in the second year of the comprehensive services, that—

(A) participated in the needs assessment described in paragraph (2); and

(B) demonstrated a willingness and commitment to improving the higher education enrollment rates of the local educational agency or State, respectively.

(b) GRANT RECIPIENT CRITERIA.—The recipient of the grant awarded under subsection (a) shall be a nonprofit organization with demonstrated expertise—

(1) in increasing school-wide higher education enrollment rates in low-income communities nationwide by providing curriculum, training, and technical assistance to secondary school staff and student peer influencers; and

(2) in a college transition data management system.

PART H—DIPLOMA MILL PREVENTION

SEC. 851. PURPOSE; DEFINITIONS.

(a) PURPOSE.—The purpose of this part is to protect institutions of higher education, businesses and other employers, professional licensing boards, patients and clients of degree holders, taxpayers, and other individuals from any person claiming to possess a legitimate academic degree that in fact was issued by a fraudulent or nonexistent school, by a non-educational entity posing as a school, or by any entity in violation of Federal or State law.

(b) DEFINITIONS.—In this part:

(1) DEGREE-GRANTING INSTITUTION.—The term "degree-granting institution" means any entity that offers or confers an academic, professional, or occupational degree, diploma, or certificate, if such degree, diploma, or certificate may be used to represent to the general public that the individual possessing such degree, diploma, or certificate has completed a program of education or training beyond secondary education.

(2) DIPLOMA MILL.—The term "diploma mill" means any entity that—

(A) lacks valid accreditation by an agency recognized by a Federal agency or a State government or other organization or association that recognizes accrediting agencies as a valid accrediting agency of institutions of higher education; and

(B) offers degrees, diplomas, or certifications, for a fee, that may be used to represent to the general public that the individual possessing such a degree, diploma, or certification has completed a program of education or training beyond secondary education, but little or no education or course work is required to obtain such a degree, diploma, or certification.

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

SEC. 852. RECOGNIZED ACCREDITING AGENCIES AND INSTITUTIONS.

(a) LISTS MAINTAINED BY THE DEPARTMENT OF EDUCATION.—Not later than 30 days after the date of the enactment of this part, the Secretary of Education shall make available (in a regularly updated, electronic format) to the Secretary of Homeland Security and the heads of other appropriate Federal agencies, a list of—

(1) accrediting agencies and associations, recognized by the Secretary of Education under section 496, or, at the discretion of the Secretary, other organizations involved in accreditation;

(2) eligible institutions, as defined under section 435(a); and

(3) to the extent practicable, foreign degree-granting institutions that—

(A) have degree-granting authority, as granted by the appropriate agency or ministry of jurisdiction in the home country of such institution;

(B) issue degrees that are accepted for professional licensure, public employment, and admission into graduate programs of degree-granting institutions in the home country (as determined by the Secretary of State);

(C) are determined by the Secretary of Education to be academically equivalent to an eligible institution, as defined in section 435(a); and

(D) are located in a home country that is capable of performing an effective academic evaluation of the degree-granting institutions to which it issues degree-granting authority, as determined by the Secretary of State, in consultation with the Secretary of Education,

for the purposes of assisting the Secretary of Homeland Security and the heads of such Federal agencies to determine, for immigration and Federal employment and hiring purposes, the legitimacy of degree-granting institutions and degrees issued by such institutions.

(b) REVISIONS TO LISTS.—The Secretary of Education shall modify and maintain the lists described in subsection (a) as necessary to ensure that the lists and the information contained in the lists are accurate and up-to-date, based on the most recent information available to the Secretary.

(c) NOTICE OF RECOGNITION.—To be eligible to receive funds under title IV, each eligible institution described in subsection (a)(2) shall, not later than 60 days after the date of the enactment of this part, prominently display on the institution's Internet website a notice indicating that the institution is recognized by the Secretary of Education as a legitimate institution for immigration and Federal employment and hiring purposes. If the Secretary of Education determines that an institution no longer qualifies as a legitimate degree-granting institutions described in subsection (a)(2), and removes the institution from the list maintained under such subsection, the institution shall, not later than 15 days after the removal of the institution from such list, delete the notice required by this subsection from the institution's Internet website.

SEC. 853. ACCREDITING AGENCIES.

No accrediting agency or association may be considered to be a reliable authority as to the quality of education or training offered by a degree-granting institution for any purpose related to immigration, Federal employment and hiring practices, or for any other Federal purposes, unless the agency or association is on the list of accrediting agencies and associations recognized by the Secretary of Education and provided to the Secretary of Homeland Security under section 852. The Secretary may consult with other organizations, such as the Council for Higher Education Accreditation, for such purposes.

SEC. 854. TASK FORCE.

(a) TASK FORCE ESTABLISHED.—The Secretary of Education shall establish within the Department of Education the Diploma Mill Task Force (referred to in this part as the "Task Force").

(b) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—The Task Force shall, if practicable, be composed of 19 members, as follows:

(A) The Assistant Secretary of Education for Postsecondary Education.

(B) A representative of the Department of Education with experience related to the determination of the legitimacy and quality of degrees from foreign institutions of higher education, selected by the Secretary of Education.

(C) A representative of the Department of Justice, selected by the Attorney General.

(D) A representative of the Federal Trade Commission, selected by the Chairman of such agency.

(E) A representative of the Secret Service, selected by the Director of the Secret Service.

(F) A representative of the Department of State, selected by the Secretary of State.

(G) A representative of the Department of Homeland Security, selected by the Secretary of Homeland Security.

(H) A representative of the Office of Personnel Management, selected by the Director of such Office.

(I) A representative of a national accreditation association.

(J) A representative of a national organization representing collegiate registrars and admissions officers.

(K) Two representatives of State degree approval agencies, selected by agreement of at least 3 of the Speaker of the House of Representatives, the Senate Majority Leader, the House Minority Leader, and the Senate Minority Leader.

(L) Two representatives from regionally accredited institutions of higher education, selected by agreement of at least 3 of the Speaker of the House of Representatives, the Senate Majority Leader, the House Minority Leader, and the Senate Minority Leader.

(M) One representative from a nationally accredited institution of higher education, selected by agreement of at least 3 of the Speaker of the House of Representatives, the Senate Majority Leader, the House Minority Leader, and the Senate Minority Leader.

(N) Four individuals from the general population with experience in higher education, the detection of fraudulent degrees and degree-granting institutions, or law enforcement related to credential fraud, selected as follows:

(i) One individual selected by the Speaker of the House of Representatives.

(ii) One individual selected by the Minority Leader of the House of Representatives.

(iii) One individual selected by the Majority Leader of the Senate.

(iv) One individual selected by the Minority Leader of the Senate.

(2) CRITERIA FOR MEMBERSHIP.—All members of the Task Force shall be persons who are especially qualified to serve on the Task Force by virtue of their education, training, or experi-

ence, particularly in the fields of higher education, accreditation of institutions of higher education, foreign higher education standards, State regulation of institutions of higher education, immigration, Federal employment requirements and hiring practices, or fraud prevention, detection, or enforcement.

(3) TERMS.—Each member shall be appointed for the life of the Task Force.

(4) VACANCIES.—A vacancy in the Task Force shall be filled in the manner in which the original appointment was made.

(5) CHAIR.—At the first meeting of the Task Force, the members of the Task Force shall elect a member of the Task Force to serve as Chair.

(c) DUTIES.—

(1) GUIDELINES.—The Task Force shall develop guidelines, to be used for the development of Federal legislation, to identify degree-granting institutions as legitimate or fraudulent degree-granting institutions for Federal purposes. In developing such guidelines, the Task Force shall consider—

(A) characteristics of degree-granting institutions that help determine the legitimacy of the institution, such as whether an entity—

(i) offers or confers degrees, diplomas, or certificates—

(I) for little or no meaningful academic work;

(II) without requiring an appropriate level of academic achievement for the attainment of such degrees, diplomas, or certificates; or

(III) without imposing academic or other requirements for admittance into the institutions or programs offering such degrees, diplomas, or certificates;

(ii) has fiscal and administrative structures and capacity appropriate to the specified scale of educational operations;

(iii) has resources to support claims as a degree-granting institution, including curricula, qualified faculty, facilities, equipment, and supplies, student support services, objectives of the degrees or credentials offered, admissions practices, academic calendars and catalogs, and a grading system; and

(iv) has degree-granting authority issued by the States in which degrees, or instruction leading to degrees, are offered, and is recognized by such States as an approved institution of higher education;

(B) the feasibility of defining the term "fraudulent degree-granting institution" (commonly referred to as "diploma mills"), and if feasible, shall define such term to propose for use in Federal laws and regulations;

(C) issues related to—

(i) the detection of new and existing fraudulent degree-granting institutions;

(ii) recognition and prevention of the practices used by such fraudulent degree-granting institutions to avoid detection;

(iii) the enforcement of laws and regulations prohibiting such fraudulent degree-granting institutions and practices and the use of fraudulent degrees; and

(iv) the prosecution of such fraudulent degree-granting institutions and practices and the use of fraudulent degrees;

(D) difficulties in identifying fraudulent degree-granting institutions located in foreign countries, or that claim recognition or degree-granting authority from foreign countries;

(E) means to alert and educate the public about fraudulent degree-granting institutions and the use of fraudulent degrees;

(F) laws, regulations, and other means used by States to address fraudulent degree-granting institutions and the use of fraudulent degrees;

(G) the potential need for coordination and cooperation among various Federal agencies to investigate and prosecute suspected fraudulent degree-granting institutions, and the detailed recommendations of the Task Force regarding such coordination and cooperation;

(H) the study and the report to the Task Force required under this section; and

(I) the purposes for which various agencies of the United States need to identify fraudulent degree-granting institutions, and identify, prohibit, and prevent the use of degrees issued by such fraudulent institutions, and the ability of such agencies to implement any guidelines considered by the Task Force.

(2) DEVELOPMENT OF FEDERAL PLAN.—The Task Force shall develop a strategic diploma integrity protection plan (referred to in this section as the "Plan") to address the sale and use of fraudulent degrees for Federal purposes. The Plan shall include the following:

(A) Recommendations to Congress regarding the implementation by Federal agencies of the guidelines developed under paragraph (1).

(B) Recommendations to the Federal Trade Commission regarding the application of the guidelines developed under paragraph (1) to any rulemaking under section 856 and to the enforcement of the rules promulgated under such section.

(3) SUBMISSION OF REPORT TO CONGRESS.—Not later than one year after the date of the enactment of this part, the Task Force shall submit to the appropriate congressional committees a report, including—

(A) the guidelines developed under paragraph (1);

(B) the Plan developed under paragraph (2); and

(C) a legislative proposal for consideration by Congress.

SEC. 855. SENSE OF THE CONGRESS REGARDING USE BY STATES OF THE FEDERAL PLAN AS GUIDELINES.

It is the sense of the Congress that—

(1) each State should implement a strategic diploma integrity plan similar to any strategic diploma integrity plan developed under section 854, to the extent practicable and as soon as prac-

ticable after the date of the adoption of such a plan under such section; and

(2) States may adopt more stringent standards than those standards contained in the Federal strategic diploma integrity plan and used by agencies of the United States to identify fraudulent degree-granting institutions operating within such State, except that State law does not preempt Federal law as applied to the employment and hiring practices of Federal employees working in such State.

SEC. 856. UNFAIR AND DECEPTIVE ACTS AND PRACTICES REGARDING DIPLOMAS AND PROFESSIONAL CERTIFICATIONS.

Not later than 180 days after the date of enactment of this part, the Secretary shall request in writing that the Federal Trade Commission shall develop a plan to address diploma mills based on section 18 of Federal Trade Commission Act (15 U.S.C. 57a).

PART I—STUDENT SAFETY AND CAMPUS EMERGENCY MANAGEMENT

SEC. 861. STUDENT SAFETY AND CAMPUS EMERGENCY MANAGEMENT.

(a) GRANTS AUTHORIZED.—

(1) IN GENERAL.—From the amount appropriated to carry out this part under section 800, 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 of the United States and the Secretary of Homeland Security.

(3) DURATION.—The Secretary shall award each grant under this section for a period of 2 years.

(4) LIMITATION ON INSTITUTIONS AND CONSORTIA.—An institution of higher education or consortium shall be eligible for only 1 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.—The institution of higher education or consortium shall provide the non-Federal share, which may be provided from other Federal, 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 1 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, within 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; and

(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.

(3) Coordinating with appropriate local entities 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) RULE OF CONSTRUCTION.—Nothing in this section 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 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).

SEC. 862. MODEL EMERGENCY RESPONSE POLICIES, PROCEDURES, AND PRACTICES.

The Secretary of Education, in consultation with the Attorney General of the United States and the Secretary of Homeland Security, shall—

(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. 863. PREPARATION FOR FUTURE DISASTERS PLAN BY THE SECRETARY.

(a) PLANNING.—The Secretary shall develop and maintain a disaster relief plan, in consultation with the appropriate agencies, to ensure a procedure is in place to address the needs of institutions of higher education in the event of a disaster with respect to which the President has declared a major disaster or emergency. The plan shall take into consideration the immediate safety and well-being of students, faculty, and staff. Additionally, such plan shall outline steps that can be taken to ensure institutions of higher education have a timely recovery.

(b) SUBMISSION TO CONGRESS.—The Secretary shall submit to the authorizing committees the plan required by subsection (a) and any revisions of such plan.

SEC. 864. EDUCATION DISASTER AND EMERGENCY RELIEF LOAN PROGRAM.

(a) PROGRAM AUTHORIZED.—The Secretary is authorized to establish an Education Disaster and Emergency Relief Loan Program for institutions of higher education for direct or indirect losses incurred as a result of a federally declared major disaster or emergency.

(b) USE OF ASSISTANCE.—The Secretary may, subject to the availability of appropriations, provide any assistance under the Education Disaster and Emergency Relief Loan program to institutions of higher education pursuant to this section only after the declaration of a major disaster or emergency by the President. Loan funds provided under this section may be used for—

(1) direct and indirect construction, replacement, and renovation costs associated with or resulting from or preparing for a major disaster or emergency;

(2) faculty salaries and incentives for retaining faculty; or

(3) reimbursement for lost tuition and other revenues.

(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 and the monetary amount of such losses; and

(2) demonstrate that the institution attempted to minimize the cost of any losses by pursuing collateral source compensation from the Federal Emergency Management Agency and insurance coverage 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 and insurance 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 federally declared major disaster or emergency, 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.—In order to disburse loans under this section, the Secretary shall prescribe regulations that—

(1) establish the loan program, taking into consideration the structure of existing capital financing loan programs under this Act; and

(2) that set forth—

(A) terms for the loan program under this section;

(B) procedures for an application for a loan under this section; and

(C) minimum requirements for the loan program and for receiving a loan under this section, including the following:

(i) Online forms to be used in submitting request for a loan under this section.

(ii) Information to be included in such forms.

(iii) Procedures to assist in filing and pursing a loan under this section.

(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;

(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. 2809).

(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.

(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.

(h) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of the College Opportunity and Affordability Act of 2007, and assistance provided to institutions of higher education pursuant to this section shall be available only with respect to federally declared major disasters or emergencies that occur after the date of the enactment of the College Opportunity and Affordability Act of 2007, except in the case of an institution affected by a Gulf hurricane disaster.

SEC. 865. GUIDANCE ON MENTAL HEALTH DISCLOSURES FOR STUDENT SAFETY.

Not later than 90 days after the date of enactment of the College Opportunity and Affordability Act of 2007, the Secretary shall 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 the Family Educational Rights and Privacy Act of 1974 shall not be liable to any person for that disclosure.

PART J—RURAL DEVELOPMENT GRANTS FOR RURAL COLLEGES AND UNIVERSITIES

SEC. 871. PURPOSE.

The purposes of this part are—

(1) to increase—

(A) enrollment and graduation rates from 2-year and 4-year colleges, and articulation from 2-year degree programs into 4-year degree programs, of graduates of rural high schools; and

(B) degree completion for nontraditional students from rural areas; and

(2) to promote economic growth and development in rural America through partnership grants to consortia of rural colleges and universities and other entities, such as local education agencies, employers, education service agencies, and nonprofit organizations.

SEC. 872. DEFINITIONS.

For the purposes of this part:

(1) RURAL INSTITUTION OF HIGHER EDUCATION.—The term "rural 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 in which there is located a rural local educational agency.

(3) RURAL LOCAL EDUCATION AGENCY.—The term "rural local education agency" means a local educational agency (as such term is defined in section 9101 of the Elementary and Sec-

ondary Education Act of 1965) all of the schools of which meet a metro-centric locale code of 41, 42, or 43 as determined by the National Center for Education Statistics (NCES), in conjunction with the Bureau of the Census, using the NCES system for classifying local educational agencies.

(4) NONTRADITIONAL STUDENT.—The term "nontraditional student" means an individual who—

(A) delays enrollment in an institution of higher education by 3 or more years after completing high school;

(B) attends an institution of higher education part-time or less than part-time; or

(C) attends an institution of higher education and—

(i) works full-time;

(ii) is an independent student;

(iii) has one or more dependents other than a spouse;

(iv) is a single parent; or

(v) does not have a high school diploma.

(5) REGIONAL EMPLOYER.—The term "regional employer" means employers qualifying as businesses or other entities employing individuals within a rural area.

SEC. 873. ENSURING COLLEGE ACCESS FOR RURAL HIGH SCHOOL GRADUATES.

(a) GRANTS AUTHORIZED.—From the amounts appropriated to carry out this part under section 800, the Secretary of Education is authorized to make grants in accordance with this section to partnerships formed between one or more rural institution of higher education and any of the following entities:

(1) One or more rural local educational agencies.

(2) One or more rural education service agencies.

(3) One or more regional employers.

(4) One or more nonprofit organizations with expertise in rural education.

(b) ELIGIBLE PARTNERSHIPS; APPLICATIONS.—To be eligible for a grant under this section, a partnership that meets the requirements of subsection (a) shall submit to the Secretary an application in such form and containing such information as the Secretary shall prescribe. In determining which applications to approve for a grant under this section, the Secretary shall consider—

(1) the percentage of graduates, attendees, or former attendees of high schools from rural local educational agencies enrolled or otherwise affiliated with the entity;

(2) in the case of employers, the percentage of employees that are graduates of high schools in rural local educational agencies.

(c) USE OF GRANT AMOUNTS.—Funds made available by a grant under this section to a partnership that meets the requirements of subsection (b) shall be used—

(1) to improve enrollment rates for graduates and former attendees of rural high schools at rural institutions of higher education, including—

(A) programs to provide information about college costs and financial aid options, assistance with college enrollment applications, and assistance with financial aid applications;

(B) programs or initiatives that provide such graduates or former attendees of rural high schools access and exposure to campuses, classes, programs, and facilities of rural institutions of higher education, including covering the cost of transportation to and from institutions of higher education;

(C) the formation of groups or other initiatives that create support groups of such students expressing interest in attending rural institutions of higher education;

(D) extracurricular activities, such as internships, community service, and other activities for such individuals in advance of attending institutions of higher education; and

(E) other initiatives that assist such individuals in applying and developing interest in attending rural institutions of higher education; and

(2) to encourage participation of nontraditional students in degree programs at rural institutions of higher education, including—

(A) programs to provide information about college costs and financial aid options, assistance with college enrollment applications, and assistance with financial aid applications for institutions of higher education;

(B) outreach to nontraditional students through community initiatives; and

(C) formation of support groups for nontraditional students enrolling in 2-year degree programs and articulating from 2-year degree programs to 4-year degree programs.

SEC. 874. ECONOMIC DEVELOPMENT PARTNERSHIPS.

(a) GRANTS AUTHORIZED.—From the amounts appropriated to carry out this part under section 800, the Secretary of Education is authorized to make grants in accordance with this section to partnerships formed between one or more rural institutions of higher education and one or more regional employers.

(b) ELIGIBLE PARTNERSHIPS; APPLICATIONS.—To be eligible for a grant under this section, a partnership that meets the requirements of subsection (a) shall submit to the Secretary an application in such form and containing such information as the Secretary shall prescribe. In determining which applications to approve for a grant under this section, the Secretary shall consider—

(1) the potential of the employer to employ graduates of rural institutions of higher education after graduation;

(2) the potential of the employer engaged in the partnership to spur economic development in the region; and

(3) the relevance of the employer to the regional economy.

(c) USE OF GRANT AMOUNTS.—Funds made available by a grant under this section to a partnership that meets the requirements of subsection (a) shall be used—

(1) to provide additional career training to attendees of rural institutions of higher education in fields relevant to the regional economy; and

(2) to encourage regional businesses to employ graduates of rural institutions of higher education.

SEC. 875. QUALITY OF LIFE IN RURAL AREAS.

(a) GRANTS AUTHORIZED.—From the amounts appropriated to carry out this part under section 800, the Secretary of Education is authorized to make grants in accordance with this section to rural institutions of higher education.

(b) USE OF GRANT AMOUNTS.—Funds made available by a grant under this section to a partnership that meets the requirements of subsection (a) shall be used to create or strengthen academic programs to prepare graduates to enter into high-need occupations in the regional and local economies.

SEC. 876. ALLOCATION OF APPROPRIATIONS.

(a) GRANT CONSIDERATIONS.—In making grant allocations under this part to qualifying institutions and partnerships, the Secretary shall consider—

(1) the percentage of graduates of rural high schools attending rural institutions of higher education in proximity to the entity receiving the grant;

(2) employment needs of regional employers in proximity to entities receiving the grant; and

(3) the health of the regional economy of the region surrounding the entity receiving the grant.

(b) MAXIMUM AND MINIMUM GRANTS.—No grant awarded by the Secretary under this part shall be less than $200,000 or more than $500,000.

(c) GRANT DURATION.—A grant awarded under this part shall be awarded for one 3-year period.

PART K—IMPROVING SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS EDUCATION WITH A FOCUS ON ALASKA NATIVE AND NATIVE HAWAIIAN STUDENTS

SEC. 880. IMPROVING SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS EDUCATION WITH A FOCUS ON ALASKA NATIVE AND NATIVE HAWAIIAN STUDENTS.

(a) PURPOSE.—The purpose of this section is—

(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.

(b) DEFINITIONS.—In this section:

(1) ALASKA NATIVE.—The term "Alaska Native" has the meaning given the term "Native" in section 3(b) of the Alaska Natives Claims Settlement Act (43 U.S.C. 1602(b)).

(2) ELIGIBLE PARTNERSHIP.—The term "eligible partnership" means a partnership that includes—

(A) 1 or more colleges or schools of engineering;

(B) 1 or more colleges of science or mathematics;

(C) 1 or more institutions of higher education that offer 2-year degrees; and

(D) 1 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 college, 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) NATIVE HAWAIIAN.—The term "Native Hawaiian" has the meaning given the term in section 7207 of the Elementary and Secondary Education Act of 1965.

(c) GRANT AUTHORIZED.—From the amounts appropriated to carry out this part under section 800, the Secretary is authorized to award a grant to an eligible partnership to enable the eligible partnership to expand programs for the development of science, technology, engineering, or mathematics professionals, from elementary school through college, including existing programs for Alaska Native and Native Hawaiian students.

(d) USES OF FUNDS.—Grant funds under this section shall be used for 1 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.

(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.

(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.

(4) Such other activities as are consistent with the purposes 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 provides 1 or more programs in which 30 percent or more of the program participants are Alaska Native or Native Hawaiian.

(g) PERIOD OF GRANT.—A grant under this section shall be awarded for a period of 5 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 6 months after the end of the grant period.

PART L—NATIONAL DATABASE ON FINANCIAL ASSISTANCE FOR STUDY OF SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS

SEC. 881. NATIONAL DATABASE ON FINANCIAL ASSISTANCE FOR STUDY OF SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS.

(a) ESTABLISHMENT AND MAINTENANCE OF DATABASE.—

(1) DATABASE.—The Secretary of Education shall establish and maintain, on the public website of the Department of Education, a database consisting of information on scholarships, fellowships, and other programs of financial assistance available from public and private sources for the study of science, technology, engineering, or mathematics at the postsecondary and post baccalaureate levels.

(2) PRESENTATION OF INFORMATION.—The information maintained on the database established under this section shall be displayed on the website in the following manner:

(A) Separate information shall be provided for each of the fields of study referred to in paragraph (1) and for postsecondary and post baccalaureate programs of financial assistance.

(B) The database shall provide specific information on any programs of financial assistance which are targeted to individuals of a particular gender, ethnicity, or other demographic group.

(C) If the sponsor of any program of financial assistance included on the database maintains a public website, the database shall provide hyperlinks to the website.

(D) In addition to providing the hyperlink to the website of a sponsor of a program of financial assistance as required under subparagraph (C), the database shall provide general information that an interested person may use to contact the sponsor, including the sponsor's electronic mail address.

(E) The database shall have a search capability which permits an individual to search for information on the basis of each category of the information provided and on the basis of combinations of categories of the information provided, including whether the scholarship is need- or merit-based and by relevant academic majors.

(F) The database shall include a recommendation that students and families should carefully review all of the application requirements prior to applying for aid, and a disclaimer that the scholarships presented in the database are not provided or endorsed by the Department of Education or the Federal Government.

(b) DISSEMINATION OF INFORMATION ON DATABASE.—The Secretary shall take such actions as may be necessary on an ongoing basis, including sending notices to secondary schools and institutions of higher education, to disseminate information on the database established and maintained under this part and to encourage its use by interested parties.

(c) USE OF VENDOR TO OBTAIN INFORMATION.—In carrying out this part, the Secretary of Education shall enter into a contract with

a private entity under which the entity shall furnish and regularly update all of the information required to be maintained on the database established under this section.

(d) ENCOURAGING THE PROVISION OF INFORMATION.—In carrying out this part, the Secretary of Education and the contracted entity shall consult with public and private sources of scholarships and make easily available a process for such entities to provide regular and updated information.

PART M—TRAINING FOR REALTIME WRITERS

SEC. 882. 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 part under section 800, the Secretary of Commerce shall make competitive grants to eligible entities under subsection (b) 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 part, an eligible entity is a court reporting program that—

(A) can document and demonstrate to the Secretary of Commerce that it meets minimum standards of educational and financial accountability, with a curriculum capable of training realtime writers qualified to provide captioning services;

(B) is accredited by an accrediting agency recognized by the Department of Education; 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 of Commerce 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 local 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 2 years.

(5) MAXIMUM AMOUNT OF GRANT.—The amount of a grant provided under subsection (a) to an entity eligible may not exceed $1,500,000 for the 2-year period of the grant under paragraph (4).

(b) APPLICATION.—

(1) IN GENERAL.—To receive a grant under subsection (a), an eligible entity shall submit an application to the Secretary of Commerce 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 under subsection (a) 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 workforce investment boards 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, of 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 curriculum to more effectively train 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 provide 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 all such purposes.

(2) SCHOLARSHIPS.—

(A) AMOUNT.—The amount of a scholarship under paragraph (1)(B) shall be based on the amount of need of the recipient of the scholarship 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 of Commerce or the Secretary's designee) for the amount of the scholarship received.

(C) COURSEWORK AND EMPLOYMENT.—The Secretary of Commerce or the Secretary's designee 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. Requirements for repayment of scholarship amounts shall take into account the effect of economic conditions on the capacity 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 5 percent of the grant amount to pay administrative costs associated with activities funded by the grant. The Secretary of Commerce shall use not more than 5 percent of the amount available for grants under this part in any fiscal year for administrative costs of the program.

(4) SUPPLEMENT NOT SUPPLANT.—Grants amounts under this part 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) REPORTS.—

(1) ANNUAL REPORTS.—Each eligible entity receiving a grant under subsection (a) shall submit to the Secretary of Commerce, at the end of each year of the grant period, a report on the activities of such entity with respect to the use of grant amounts during such year.

(2) REPORT INFORMATION.—

(A) IN GENERAL.—Each report of an entity for a year under paragraph (1) shall include a description of the use of grant amounts by the entity during such year, including an assessment by the entity of the effectiveness of activities carried out using such funds in increasing the number of realtime writers. The assessment shall utilize the performance measures submitted by the entity in the application for the grant under subsection (b)(2).

(B) FINAL REPORT.—The final report of an entity on a grant under paragraph (1) shall include a description of the best practices identified by the entity as a result of the grant for increasing the number of individuals who are

trained, employed, and retained in employment as realtime writers.

(3) ANNUAL REVIEW.—The Inspector General of the Department of Commerce shall conduct an annual review of the management, efficiency, and effectiveness of the grants made under this part.

PART N—CENTERS OF EXCELLENCE FOR VETERAN STUDENT SUCCESS

SEC. 883. 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 section 800, 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 3 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 of 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 students 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 full-time or part-time 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 on-going 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 students living in institutional facilities and commuting students.

(E) Cultural events, academic programs, orientation programs, and other activities designed to ease the transition to campus life for such 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 such students in achieving their 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.

PART O—UNIVERSITY SUSTAINABILITY PROGRAMS

Subpart 1—Sustainability Planning Grants

SEC. 884. GRANTS AUTHORIZED.

(a) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—From the amounts appropriated to carry out this part under section 800, the Secretary shall make grants to eligible entities to establish sustainability programs to design

and implement sustainability practices, including in the areas of energy management, 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.

(2) PERIOD OF GRANT.—The provision of payments under a grant under paragraph (1) may extend over a period of not more than 4 fiscal years.

(3) DEFINITION OF ELIGIBLE ENTITIES.—For purposes of this part, the term "eligible entity" means—

(A) an institution of higher education that grants 2 or 4-year undergraduate degrees, or masters and doctoral degrees, or both; or

(B) a non-profit consortia, 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) 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 or shall develop 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 such 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 in 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:

(A) To develop and implement administrative and operations practices at institutions of higher education that test, model, and analyze principles of sustainability.

(B) To establish multidisciplinary education, research, and outreach programs at institutions 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 initiatives in the areas of energy management, green building, waste management, purchasing, toxics management, transportation, and other aspects of sustainability.

(E) To support student, faculty, and staff work at institutions of higher education to implement, research, and evaluate sustainable practices.

(F) To establish sustainability literacy as a requirement for undergraduate and graduate degree programs.

(G) To integrate sustainability curriculum in all programs of instruction, particularly in business, architecture, technology, manufacturing, engineering, and science programs.

(2) PARTNERSHIPS.—Grants made under subsection (a) may be used by an eligible entity that is a non-profit consortia, association, alliance, or collaboration operating as a 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 sustainability and institutional change.

(B) To compile, evaluate, and disseminate best practices, case studies, guidelines and standards.

(C) To conduct efforts to engage external stakeholders such as business, 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 enable an appropriate non-profit consortia, association, alliance, or collaboration operating in partnership with an institution of higher education 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.

Subpart 2—Summit on Sustainability

SEC. 885. SUMMIT ON SUSTAINABILITY.

Not later than September 30, 2008, the Secretary of Education shall convene a summit of higher education experts working in the area of sustainable operations and programs, representatives from agencies of the Federal Government, and business and industry leaders to focus on efforts of national distinction that—

(1) encourage faculty, staff, and students at institutions of higher education to establish administrative and academic sustainability programs on campus;

(2) enhance research by faculty and students at institutions of higher education in sustainability practices and innovations that assist and improve sustainability;

(3) encourage institutions of higher education to work with community partners from the business, government, and nonprofit sectors to design and implement sustainability programs for application in the community and workplace;

(4) identify opportunities for partnerships involving institutions of higher education and the Federal Government to expand sustainable operations and academic programs focused on environmental and economic sustainability; and

(5) charge the summit participants or steering committee to submit a set of recommendations for addressing sustainability through institutions of higher education.

PART P—MODELING AND SIMULATION PROGRAMS

SEC. 886. 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 taskforce within the De-

partment of Education to study modeling and simulation and to support the development of the modeling and simulation field. The activities of such taskforce 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) TASKFORCE MEMBERSHIP.—The membership of the taskforce 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 Institute 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; and

(E) national modeling and simulation organizations.

(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 3-year period, and such grant period may be extended for not more than 2 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 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) 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 multi-disciplinary 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 compliment 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 3-year period, and such grant period may be extended for not more than 2 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 in to 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) purchasing equipment necessary for a modeling and simulation program.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $40,000,000 for fiscal year 2009 and such sums as may be necessary for each of the 4 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 Q—BUSINESS WORKFORCE PARTNERSHIPS

SEC. 887. GRANTS TO CREATE BUSINESS WORKFORCE PARTNERSHIPS.

(a) PURPOSE AND AUTHORIZATION.—

(1) PURPOSE.—The purpose of this section is to provide grants to institutions of higher education partnering with employers to strengthen ties between college degree credit offerings and business and industry workforce needs, and expand opportunities for worksite learning.

(2) AUTHORIZATION OF PROGRAM.—The Secretary shall award grants, on a competitive basis, to eligible partnerships for the purposes of creating business and industry workforce partnerships.

(b) DEFINITION OF BUSINESS AND INDUSTRY WORKFORCE PARTNERSHIP.—

(1) IN GENERAL.—For purposes of this section, the term "business and industry workforce partnership" means a partnership between an institution of higher education and—

(A) an employer or group of employers, or a local board (as such term is defined in section 101 of the Workforce Investment Act of 1998), or both; and

(B) labor organizations, where applicable, that represent workers locally in the businesses or industries that are the focus of the partnership, including as a result of such organization's representation of employees at a worksite at which the partnership proposes to conduct activities under this section.

(2) EXCEPTION.—In the case of a State that does not operate local boards, paragraph (1)(A) shall be applied by substituting "State board" for "local board".

(c) APPLICATION.—A business and industry workforce 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.

(d) PRIORITY FOR APPLICATIONS FOCUSED ON SERVING NONTRADITIONAL STUDENTS.—The Secretary shall give priority to applications focused on serving nontraditional students who are independent, as defined in section 480(d), do not already have a bachelor's degree, and who have one or more of the following characteristics:

(1) Are the first generation in their family to attend college.

(2) Have delayed enrollment in college.

(3) Have dependents.

(e) PEER REVIEW.—The Secretary shall convene a peer review process, which shall include individuals knowledgeable about workforce education for working adults, to review applications for grants under this section, and make recommendations to the Secretary on the selection of grant recipients.

(f) MANDATORY ACTIVITIES.—A partnership that receives a grant under this section shall use the grant funds to carry out all of the following activities:

(1) Identify high demand occupations in the regional labor market which offer or can lead to high wages, in coordination with the State employment security agency funded under the Wagner-Peyser Act.

(2) Develop linked career and educational pathways for those occupations and related ones, including, where appropriate, pathways involving registered apprenticeships.

(3) Consult with employers offering jobs in occupations identified under paragraph (1) to determine workforce development needs.

(4) Consult with labor organizations representing workers locally in the occupations identified in paragraph (1), where applicable.

(5) Identify existing college degree credit offerings or create new degree credit offerings that prepare students to meet business and industry workforce needs, including offerings connected to registered apprenticeship programs.

(g) PERMISSIBLE ACTIVITIES.—A partnership that receives a grant under this section may use the grant funds to carry out one or more of the following activities:

(1) In consultation with faculty in the appropriate departments, adapt college offerings identified and created under subsection (f)(5) to the schedules and needs of working students, such as by creating evening, weekend, modular, compressed, or distance learning formats, enrolling students in learning communities, or other relevant innovations.

(2) Create bridge programs that prepare students with lower skills or limited English proficiency to enter the college offerings identified or created under subsection (f)(5).

(3) Expand worksite learning opportunities.

(4) Other activities that the institution and the Secretary deem appropriate to carry out the purposes of this program.

(h) GRANT PERIOD.—Grants made under this section shall be for a period of at least 36 months and not more than 60 months.

(i) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to grantees under this section throughout the grant period.

(j) EVALUATION.—The Secretary shall conduct an evaluation of the effectiveness of the program under this section and disseminate the findings of such evaluation, as well as information on promising practices developed under this section.

(k) REPORT TO CONGRESS.—Not less than 36 months after the first grant is awarded under this section, the Secretary, jointly with the Secretary of Labor, shall report to Congress on:

(1) Changes to the Higher Education Act and related Acts, such as the Perkins Vocational and Technical Education Act and the Workforce Investment Act (both Title I and Title II), that would help create and sustain business and industry workforce partnerships at colleges.

(2) Other changes to the Higher Education Act and related Acts, such as the Perkins Vocational and Technical Education Act and the Workforce Investment Act, that would more generally strengthen the links between business and industry work-

force needs, workforce development programs, and other college degree credit offerings.

EDUCATION OF THE DEAF ACT OF 1986

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TITLE I—GALLAUDET UNIVERSITY; NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

Part A—Gallaudet University

* * * * * * *

SEC. 104. [ELEMENTARY AND SECONDARY EDUCATION PROGRAMS.] *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) ADMINISTRATIVE REQUIREMENTS.—(1) The [elementary and secondary education programs] *Clerc Center* shall—

(A) * * *

* * * * * * *

(2) To the extent possible, the [elementary and secondary education programs] *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) * * *

* * * * * * *

(4) If the parents or guardian places a child in one of the elementary or secondary education programs, the University shall—

(A) * * *

* * * * * * *

(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 [(6)] *(8)* of subsection (b).

* * * * * * *

(vi) Subsections (k) through [(m)] *(o)*.

(5) The University, for purposes of the elementary and secondary education programs carried out at the Clerc Center, shall—

(A)(i)(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; or

(II) develop such standards and assessments subject to the approval of 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—

(i) the State that has adopted and implemented the standards and assessments selected under subparagraph (A)(i)(I); or

(ii) the University, if the University develops standards and assessments in accordance with subparagraph (A)(i)(II); 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).

SEC. 105. AGREEMENT WITH GALLAUDET UNIVERSITY.

(a) * * *

(b) PROVISIONS OF AGREEMENT.—The agreement shall—

(1) * * *

* * * * * * *

(4) provide that any laborer or mechanic employed by any contractor or subcontractor in the performance of work on any construction aided by Federal funds appropriated for the benefit of the Kendall Demonstration Elementary School or the Model Secondary School for the Deaf will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with [the Act of March 3, 1931 (40 U.S.C. 276a–276a–5) commonly referred to as the Davis-Bacon Act] *subchapter IV of chapter 31 of title 40, United States Code, commonly referred to as the Davis-Bacon Act*; except that the Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (5 U.S.C. App.) and [section 2 of the Act of June 13, 1934 (40 U.S.C. 276c)] *section 3145 of title 40, United States Code*; and

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Part B—National Technical Institute for the Deaf

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SEC. 112. AGREEMENT FOR THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.

(a) GENERAL AUTHORITY.—(1) The Secretary is authorized to establish or continue an agreement with [an institution of higher education] *the Rochester Institute of Technology, Rochester, New York* for the establishment and operation, including construction and equipment, [of a] *of the* National Technical Institute for the Deaf. [The Secretary, in considering proposals from institutions of higher education to enter into an agreement under this part, shall give preference to institutions which are located in metropolitan industrial areas.]

(2) If, pursuant to the agreement established under paragraph (1), either the Secretary or the Rochester Institute of Technology terminates the agreement, the Secretary shall consider proposals from other institutions of higher education and enter into an agreement with one of those institutions for the establishment and operation of a National Technical Institute for the Deaf.

[(2)] *(3)* The Secretary and the institution of higher education with which the Secretary has an agreement under this section—

(A) * * *

* * * * * * *

(b) PROVISIONS OF AGREEMENT.—The agreement shall—

(1) * * *

* * * * * * *

(3) provide that the Board of Trustees or other governing body of the institution will prepare and submit to the Secretary, not later than June 1 following the fiscal year for which the report is submitted, an annual report containing an accounting of all indirect costs paid to the institution of higher education under the agreement with the Secretary, which accounting the Secretary shall transmit to the Committee on Education and Labor of the House of Representatives and to the [Committee on Labor and Human Resources of the Senate] *Committee on Health, Education, Labor, and Pensions of the Senate*, with such comments and recommendations as the Secretary may deem appropriate;

* * * * * * *

(5) provide that any laborer or mechanic employed by any contractor or subcontractor in the performance of work on any construction aided by Federal funds appropriated for the benefit of NTID will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with [the Act of March 3, 1931 (40 U.S.C. 276a–276a–5) commonly referred to as the Davis-Bacon Act] *subchapter IV of chapter 31 of title 40, United States Code, commonly referred to as the Davis-Bacon Act*; except that the Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (5 U.S.C. App.) and [section 2 of the Act of June

13, 1934 (40 U.S.C. 276c)] *section 3145 of title 40, United States Code*; and

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TITLE II—GENERAL PROVISIONS

* * * * * * *

SEC. 203. AUDIT.

(a) * * *

(b) INDEPENDENT FINANCIAL AND COMPLIANCE AUDIT.—

(1) * * *

(2) COMPLIANCE.—As used in paragraph (1), compliance means compliance with [sections 102(b), 105(b)(4), 112(b)(5), and 203(c), paragraphs (2) and (3) of section 207(b), subsections (b)(2), (b)(3), and (c) through (f), of section 207, and subsections (b) and (c) of section 210.] *sections 102(b), 105(b)(4), 112(b)(5), 203(c), 207(b)(2), subsections (c) through (f) of section 207, and subsections (b) and (c) of section 209.*

(3) SUBMISSION OF AUDITS.—A copy of each audit described in paragraph (1) shall be provided to the Secretary *and the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate* within 15 days of acceptance of the audit by the University or the institution authorized to establish and operate the NTID under section 112(a), as the case may be, but not later than January 10 of each year.

(c) LIMITATIONS REGARDING EXPENDITURE OF FUNDS.—

(1) * * *

(2) POLICIES.—

(A) Not later than 180 days after the date of the enactment of the Education of the Deaf Act Amendments of 1992, the University and NTID shall develop policies, to be applied uniformly, for the allowability of expenditures for each institution. These policies should reflect the unique nature of these institutions. The principles established by the Office of Management and Budget for costs of educational institutions may be used as guidance in developing these policies. General principles relating to allowability and reasonableness of all costs associated with the operations of the institutions shall be addressed. These policies shall be submitted to the Secretary for review and comments, and to the Committee on Education and Labor of the House of Representatives and the [Committee on Labor and Human Resources of the Senate] *Committee on Health, Education, Labor, and Pensions of the Senate*.

* * * * * * *

SEC. 204. REPORTS.

The Board of Trustees of Gallaudet University 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 shall prepare and submit an annual report to the Secretary, and to the Committee on Education and Labor of the House of Representatives and the [Committee on Labor and Human Resources

of the Senate] *Committee on Health, Education, Labor, and Pensions of the Senate*, not later than 100 days after the end of each fiscal year, which shall include the following:

(1) The number of students during the preceding academic year who enrolled and whether these were first-time enrollments, who graduated, who found employment, or who left without completing a program of study, reported under each of the programs of the University (elementary, secondary, [preparatory,] undergraduate, and graduate) and of NTID.

(2) For the preceding academic year, and to the extent possible, the following data on individuals who are deaf and from minority backgrounds and who are students (at all educational levels) or employees:

(A) * * *

* * * * * * *

(C) The disposition of these students [upon graduation/completion] *on the date that is 1 year after the date of graduation or completion* of programs at NTID and at the University and its elementary and secondary schools in comparison to students from non-minority backgrounds.

* * * * * * *

(3) (A) A summary of the annual audited financial statements and auditor's report of the University, as required under section 203, and (B) a summary of the annual audited financial statements and auditor's report [of the institution of higher education with which the Secretary has an agreement under section 112, including specific schedules and analyses for all NTID funds, as required under section 203, and such supplementary schedules presenting financial information for NTID for the end of the Federal fiscal year as determined by the Secretary.] *of NTID programs and activities.*

SEC. 205. MONITORING, EVALUATION, AND REPORTING.

(a) ACTIVITIES.—The Secretary shall conduct monitoring and evaluation activities of the education programs and activities and the administrative operations of the University (including the elementary, secondary, [preparatory,] undergraduate, and graduate programs) and of NTID. The Secretary may also conduct studies related to the provision of preschool, elementary, secondary, and postsecondary education and other related services to individuals who are deaf or hard of hearing. In carrying out the responsibilities described in this section, the Secretary is authorized to employ such consultants as may be necessary pursuant to section 3109 of title 5, United States Code.

(b) REPORT.—[The Secretary, as part of the annual report required under section 426 of the Department of Education Organization Act, shall include a description of] *The Secretary shall annually transmit information to Congress on* the monitoring and evaluation activities pursuant to subsection (a), together with such recommendations, including recommendations for legislation, as the Secretary may consider necessary.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for each of the [fiscal years 1998 through 2003] *fiscal years 2008 through 2013* to

carry out the monitoring and evaluation activities authorized under this section.

SEC. 206. LIAISON FOR EDUCATIONAL PROGRAMS.

(a) DESIGNATION OF LIAISON.—[Not later than 30 days after the date of enactment of this Act, the] *The* Secretary shall designate an individual in the Office of Special Education and Rehabilitative Services of the Department of Education from among individuals who have experience in the education of individuals who are deaf to serve as liaison between the Department and Gallaudet University, the National Technical Institute for the Deaf, and other postsecondary educational programs for individuals who are deaf under the Individuals with Disabilities Education Act, the Rehabilitation Act of 1973, and other Federal or non-Federal agencies, institutions, or organizations involved with the education or rehabilitation of individuals who are deaf or hard of hearing.

* * * * * * *

SEC. 207. FEDERAL ENDOWMENT PROGRAMS FOR GALLAUDET UNIVERSITY AND THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.

(a) * * *

* * * * * * *

(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 1998 through 2003] *fiscal years 2008 through 2013*.

(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 1998 through 2003] *fiscal years 2008 through 2013*.

* * * * * * *

SEC. 208. OVERSIGHT AND EFFECT OF AGREEMENTS.

(a) OVERSIGHT ACTIVITIES.—Nothing in this Act shall be construed to diminish the oversight activities of the [Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives] *Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate* with respect to any agreement entered into between the Secretary of Education and Gallaudet University, and the institution of higher education with which the Secretary has an agreement under part B of title I.

* * * * * * *

SEC. 209. INTERNATIONAL STUDENTS.

(a) ENROLLMENT.—[Effective with]

(1) IN GENERAL.—Except as provided in paragraph (2), effective with new admissions for academic year 1993–1994 and each succeeding academic year, the University (including [preparatory, undergraduate,] *undergraduate* and graduate students) and NTID shall limit the enrollment of international students to approximately 15 percent of the total postsecondary student population enrolled respectively at the Univer-

sity or NTID, except that in any school year no United States citizen who is qualified to be admitted to the University or NTID and applies for admission to the University or NTID shall be denied admission because of the admission of an international student.

(2) DISTANCE LEARNING.—International students who participate in distance learning courses that are at NTID or the University and who are residing outside of the United States shall—

(A) not be counted as international students for purposes of the cap on international students under paragraph (1), except that in any school year no United States citizen who applies to participate in distance learning courses that are at the University or NTID shall be denied participation in such courses because of the participation of an international student in such courses; and

(B) not be charged a tuition surcharge, as described in subsection (b).

[(b) TUITION SURCHARGE.—Effective with new admissions, the tuition for postsecondary international students enrolled in the University (including preparatory, undergraduate, and graduate students) or NTID shall include a surcharge of 100 percent for the academic year 1999–2000 and any succeeding academic year.

[(c) REDUCTION OF SURCHARGE.—Beginning with the academic year 1993–1994, the University or NTID may reduce the surcharge under subsection (b) to 50 percent if—

[(1) a student described under subsection (b) is from a developing country;

[(2) such student is unable to pay the tuition surcharge under subsection (b); and

[(3) such student has made a good faith effort to secure aid through such student's government or other sources.

[(d) DEFINITION.—For purposes of subsection (c), the term "developing country" means a country that has a 1990 per capita income not in excess of $4,000 in 1990 United States dollars.]

(b) TUITION SURCHARGE.—Except as provided in subsections (a)(2)(B) and (c), the tuition for postsecondary international students enrolled in the University (including undergraduate and graduate students) or NTID shall include, for academic year 2008–2009 and any succeeding academic year, a surcharge of—

(1) 100 percent for a postsecondary international student from a non-developing country; and

(2) 50 percent for a postsecondary international student from a developing country.

(c) REDUCTION OF SURCHARGE.—

(1) IN GENERAL.—Beginning with the academic year 2008–2009, the University or NTID may reduce the surcharge—

(A) under subsection (b)(1) from 100 percent to not less than 50 percent if—

(i) a student described under subsection (b)(1) demonstrates need; and

(ii) such student has made a good-faith effort to secure aid through such student's government or other sources; and

(B) under subsection (b)(2) from 50 percent to not less than 25 percent if—

(i) a student described under subsection (b)(2) demonstrates need; and

(ii) such student has made a good faith effort to secure aid through such student's government or other sources.

(2) DEVELOPMENT OF SLIDING SCALE.—The University and NTID shall develop a sliding scale model that—

(A) will be used to determine the amount of a tuition surcharge reduction pursuant to paragraph (1); and

(B) shall be approved by the Secretary.

(d) DEFINITION.—In this section, the term "developing country" means a country with a per-capita income of not more than $4,825, measured in 1999 United States dollars, as adjusted by the Secretary to reflect inflation since 1999.

SEC. 210. RESEARCH PRIORITIES.

(a) * * *

(b) RESEARCH REPORTS.—The University and NTID shall each prepare and submit an annual research report, to the Secretary, the [Committee on Education and the Workforce of the House of Representatives, and the Committee on Labor and Human Resources of the Senate] *Committee on Education and Labor of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions of the Senate*, not later than January 10 of each year, that shall include—

(1) * * *

* * * * * * *

SEC. 211. NATIONAL STUDY ON THE EDUCATION OF THE DEAF.

(a) CONDUCT OF STUDY.—

(1) IN GENERAL.—The Secretary shall *establish a commission on the education of the deaf (in this section referred to as the "commission") to* conduct a national study on the education of the deaf, to identify education-related barriers to successful postsecondary education experiences and employment for individuals who are deaf, and those education-related factors that contribute to successful postsecondary education experiences and employment for individuals who are deaf.

* * * * * * *

(b) PUBLIC INPUT AND CONSULTATION.—

(1) IN GENERAL.—In conducting such study, the [Secretary] *commission* shall obtain input from the public. To obtain such input, the [Secretary] *commission* shall—

(A) * * *

* * * * * * *

(C) take such other action as the [Secretary] *commission* deems appropriate, which may include holding public meetings.

(2) STRUCTURED OPPORTUNITIES.—The [Secretary] *commission* shall provide structured opportunities to receive and respond to the viewpoints of the individuals and organizations described in paragraph (1)(B).

(c) REPORT.—The [Secretary shall report to Congress not later than 18 months after the date of enactment of the Education of the Deaf Amendments of 1998] *commission shall report to the Secretary and Congress not later than 18 months after the date of the enactment of the College Opportunity and Affordability Act of 2007* regarding the results of the study. The report shall contain—

(1) [recommendations,] *recommendations relating to educated-related factors that contribute to successful postsecondary education experiences and employment for individuals who are deaf,* including recommendations for legislation, that the [Secretary] *commission* deems appropriate; and

(2) a detailed summary of the input received under subsection (b) and the ways in which the report addresses such input.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated [$1,000,000 for each of the fiscal years 1999 and 2000] *such sums as may be necessary for each of the fiscal years 2008 and 2009* to carry out the provisions of this section.

SEC. 212. AUTHORIZATION OF APPROPRIATIONS.

(a) GALLAUDET UNIVERSITY.—There are authorized to be appropriated such sums as may be necessary for each of the [fiscal years 1998 through 2003] *fiscal years 2008 through 2013* to carry out the provisions of title I and this title, relating to—

(1) * * *

* * * * * * *

(b) NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.—There are authorized to be appropriated such sums as may be necessary for each of the [fiscal years 1998 through 2003] *fiscal years 2008 through 2013* to carry out the provisions of title I and this title relating to the National Technical Institute for the Deaf.

* * * * * * *

TRIBALLY CONTROLLED COLLEGE OR UNIVERSITY ASSISTANCE ACT OF 1978

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, [That this Act may be cited as the "Tribally Controlled College or University 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) * * *

* * * * * * *

(6) "national Indian organization" means an organization which the Secretary finds is nationally based, represents a substantial Indian constituency, and has expertise [in the field of Indian education] *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;

[(7)**]** *(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

[(8)**]** *(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 **[**paragraph (7) of subsection (a)**]** *subsection (a)(8)*:

(1) * * *

* * * * * * *

[(5) Credits earned in a continuing education program shall be converted to a credit-hour basis in accordance with the tribally controlled college or university's system for providing credit for participation in such program.

[(6) No credit hours earned by an Indian student who is not making satisfactory progress toward a degree or certificate, shall be taken into account.**]**

(5) DETERMINATION OF CREDITS.—Eligible credits earned in a continuing education program—

(A) shall be determined as 1 credit for every 10 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 limited to 10 percent of the Indian student count of a tribally controlled college or university.

TITLE I—TRIBALLY CONTROLLED COLLEGES OR UNIVERSITIES

* * * * * * *

ELIGIBLE GRANT RECIPIENTS

SEC. 103. To be eligible for assistance under this title, a tribally controlled college or university must be one which—

(1) * * *

(2) demonstrates adherence to stated goals, a philosophy, or a plan of operation which is directed to meet the needs of Indians; **[**and**]**

(3) if in operation for more than one year, has students a majority of whom are Indians**[**.**]***; and*

(4)(A) is accredited by a nationally recognized accrediting agency or association determined by the Secretary of Education

to be a reliable authority with regard to the quality of training offered; or

(B) according to such an agency or association, is making reasonable progress toward accreditation.

* * * * * * *

[TECHNICAL ASSISTANCE CONTRACTS

[SEC. 105. The Secretary shall]

SEC. 105. TECHNICAL ASSISTANCE CONTRACTS.

(a) TECHNICAL ASSISTANCE.—

(1) IN GENERAL.—The Secretary shall provide, upon request from a tribally controlled college or university which is receiving funds under section 108, technical assistance either directly or through contract. [In the awarding of contracts for technical assistance, preference shall be given]

(2) DESIGNATED ORGANIZATION.—The Secretary shall require that a contract for technical assistance under paragraph (1) shall be awarded to an organization designated by the tribally controlled college or university to be assisted. [No authority]

(b) EFFECT OF SECTION.—No authority to enter into contracts provided by this section shall be effective except to the extent authorized in advance by appropriations Acts.

* * * * * * *

AMOUNT OF GRANTS

SEC. 108. [(a) Except as provided in section 111,]

(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 [him] *the Secretary* an amount equal to the [product of] *product obtained by multiplying—*

[(1)] *(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)(7)] *section 2(a)(8)*; and

[(2) $6,000,] *(B) $8,000, as adjusted annually for inflation.*

[except that no grant shall exceed the total cost of the education program provided by such college or university.]

(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.

* * * * * * *

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

[1999] *2008* and such sums as may be necessary for each of the [4 succeeding] *5 succeeding* fiscal years.

(2) There is authorized to be appropriated for the purpose of carrying out section 107, [$40,000,000] *such sums as may be necessary* for fiscal year [1999] *2008* and such sums as may be necessary for each of the [4 succeeding] *5 succeeding* fiscal years.

(3) There is authorized to be appropriated for the purpose of carrying out sections 112(b) and 113, [$10,000,000] *such sums as may be necessary* for fiscal year [1999] *2008* and such sums as may be necessary for each of the [4 succeeding] *5 succeeding* fiscal years.

(4) Funds appropriated pursuant to the authorizations under this section for the fiscal year [1999] *2008* and for each of the [succeeding 4] *5 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.

* * * * * * *

TITLE III—TRIBALLY CONTROLLED COLLEGE OR UNIVERSITY ENDOWMENT PROGRAM

* * * * * * *

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 [1999] *2008* and such sums as may be necessary for each of the [4 succeeding] *5 succeeding* fiscal years.

* * * * * * *

TITLE V—TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS

SEC. 501. DEFINITION OF TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTION.

In this title, the term "tribally controlled postsecondary career and technical institution" has the meaning given the term in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302).

SEC. 502. TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS PROGRAM.

(a) IN GENERAL.—Subject to the availability of appropriations, for fiscal year 2008 and each fiscal year thereafter, the Secretary shall—

(1) subject to subsection (b), select 2 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 2 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, 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 (7) 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.

(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 College Opportunity and Affordability Act of 2007.

(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 institutions 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 2008 and each fiscal year thereafter to carry out this title.

SECTION 403 OF THE TRIBAL ECONOMIC DEVELOPMENT AND TECHNOLOGY RELATED EDUCATION ASSISTANCE ACT OF 1990

SEC. 403. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for grants under this subchapter, [$2,000,000 for fiscal year 1999] *such sums as may be necessary for fiscal year 2008* and such sums as may be necessary for each of the [4 succeeding] *5 succeeding* fiscal years.

SECTION 117 OF THE CARL D. PERKINS CAREER AND TECHNICAL EDUCATION ACT OF 2006

SEC. 117. TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS.

[(a) GRANTS AUTHORIZED.—The Secretary shall, subject to the availability of appropriations, make grants pursuant to this section to tribally controlled postsecondary career and technical institutions that are not receiving Federal support under the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.) or the Navajo Community College Act (25 U.S.C. 640a et seq.) to provide basic support for the education and training of Indian students.]

(a) GRANT PROGRAM.—Subject to the availability of appropriations, the Secretary shall make grants under this section, to provide basic support for the education and training of Indian students, to

tribally controlled postsecondary career and technical institutions that are not receiving Federal assistance as of the date on which the grant is provided under—

(1) title I of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1802 et seq.); or

(2) the Navajo Community College Act (25 U.S.C. 640a et seq.).

* * * * * * *

[(d) APPLICATIONS.—Any tribally controlled postsecondary career and technical institution that is not receiving Federal support under the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.) or the Navajo Community College Act (25 U.S.C. 640a et seq.) that desires to receive a grant under this section shall submit an application to the Secretary in such manner and form as the Secretary may require.]

(d) APPLICATIONS.—To be eligible to receive a grant under this section, a tribally controlled postsecondary career and technical institution that is not receiving Federal assistance under title I of the Tribally Controlled College or University Assistance Act (25 U.S.C. 1802 et seq.) or the Navajo Community College Act (25 U.S.C. 640a et seq.) shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

NAVAJO COMMUNITY COLLEGE ACT

* * * * * * *

PURPOSE

SEC. 2. It is the purpose of this Act to assist the [Navajo Tribe of Indians] *Navajo Nation* in providing education to the members of the tribe and other qualified applicants through a community college, established by that tribe, known as [the Navajo Community College] *Diné College*.

GRANTS

SEC. 3. The Secretary of *the* Interior is authorized to make grants to the [Navajo Tribe of Indians] *Navajo Nation* to assist the tribe in the construction, maintenance, and operation of [the Navajo Community College] *Diné College*. Such college shall be designed and operated by the [Navajo Tribe] *Navajo Nation* to insure that the [Navajo Indians] *Navajo people* and other qualified applicants have educational opportunities which are suited to their unique needs and interests.

STUDY OF FACILITIES NEEDS

SEC. 4. (a) The Secretary shall conduct a detailed survey and study of the academic facilities needs of [the Navajo Community College] *Diné College*, and shall report to the Congress not later than [August 1, 1979] *October 31, 2010*, the results of such survey and study. Such report shall include any recommendations or views submitted by the governing body of such College and by the governing body of the [Navajo Tribe] *Navajo Nation*, and shall include detailed recommendations by the Secretary as to the number, type,

and cost of academic facilities which are required, ranking each such required facility by relative need.

(b) 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 the Tribally Controlled Community College Assistance Act of 1978] *October 1, 2007*.

(c) No later than March 1991, an inventory prepared by [the Navajo Community College] *Diné College* identifying repairs, alterations, and renovations to facilities required to meet health and safety standards shall be submitted to the Secretary and appropriate committees of Congress. Within 60 days following the receipt of such inventory, the Secretary shall review the inventory, evaluating the needs identified, and transmit the written comments of the Department of the Interior to the appropriate committees of Congress, together with the Department's evaluation prepared by the health and safety division of the Bureau of Indian Affairs.

AUTHORIZATION OF APPROPRIATIONS

SEC. 5. (a)(1) For the purpose of making construction grants under this Act, there are authorized to be appropriated [$2,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years.] *such sums as are necessary for fiscal years 2008 through 2013.*

* * * * * * *

(3) Sums described in paragraph (2) shall be used to provide grants for construction activities, including the construction of buildings, water and sewer facilities, roads, information technology and telecommunications infrastructure, classrooms, and external structures (such as walkways).

(b)(1) There are authorized to be appropriated for grants to [the Navajo Community College] *Diné College*[, for each fiscal year, an amount necessary to pay expenses incurred for—] *such sums as are necessary for fiscal years 2008 through 2013 to pay the cost of—*

(A) the maintenance and operation of the [college] *College*, including—

(i) basic, special, developmental, vocational, technical, and special handicapped education costs[,]*;*

(ii) annual capital expenditures, including equipment needs, minor capital improvements and remodeling projects, physical plant maintenance and operation costs, and exceptions and supplemental need account[, and]*; and*

(iii) summer and special interest programs[,]*;*

(B) major capital improvements, including internal capital outlay funds and capital improvement projects[,]*;*

(C) mandatory payments, including payments due on bonds, loans, notes, or lease purchases[, and]*;*

(D) supplemental student services, including student housing, food service, and the provision of access to books and services[.]*; and*

(E) improving and expanding the College, including by providing, for the Navajo people and others in the community of the College—

(i) higher education programs;

(ii) career and technical education;
(iii) activities relating to the preservation and protection of the Navajo language, philosophy, and culture;
(iv) employment and training opportunities;
(v) economic development and community outreach; and
(vi) a safe learning, working, and living environment.

* * * * * * *

(c) The Secretary of the Interior is authorized and directed to establish by rule procedures to insure that all funds appropriated under this Act are properly identified for grants to [the Navajo Community College] *Diné Collegee* and that such funds are not commingled with appropriations historically expended by the Bureau of Indian Affairs for programs and projects normally provided on the Navajo Reservation for Navajo beneficiaries.

EFFECT ON OTHER LAWS

SEC. 6. (a) Except as specifically provided by law, eligibility for assistance under this Act shall not, by itself, preclude the eligibility of [the Navajo Community College] *Diné College* 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) Notwithstanding any other provision of law, funds provided under this Act to [the Navajo Community College] *Diné College* may be treated as non-Federal, private funds of the College for purposes of any provision of Federal law which requires that non-Federal or private funds of the [college] *College* be used in a project or for a specific purpose.

PAYMENTS; INTEREST

SEC. 7. (a) * * *

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(b)(1)(A) Notwithstanding any provision of law other than subparagraph (B), any interest or investment income that accrues on any funds provided under this Act after such funds are paid to [the Navajo Community College] *Diné College* and before such funds are expended for the purpose for which such funds were provided under this Act shall be the property of [the Navajo Community College] *Diné College* 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 Navajo Community College] *Diné College* under any provision of Federal law.

(B) All interest or investment income described in subparagraph (A) shall be expended by [the Navajo Community College] *Diné College* by no later than the close of the fiscal year succeeding the fiscal year in which such interest or investment income accrues.

(2) Funds provided under this Act may only be invested by [the Navajo Community College] *Diné College* in obligations of the United States or in obligations or securities that are guaranteed or insured by the United States.

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TITLE VIII—STUDIES, REPORTS, AND RELATED PROGRAMS

Part A—STUDIES

[SEC. 801. STUDY OF MARKET MECHANISMS IN FEDERAL STUDENT LOAN PROGRAMS.

[(a) STUDY REQUIRED.—The Comptroller General and the Secretary of Education shall convene a study group including the Secretary of the Treasury, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, representatives of entities making loans under part B of title IV of the Higher Education Act of 1965, representatives of other entities in the financial services community, representatives of other participants in the student loan programs, and such other individuals as the Comptroller General and the Secretary may designate. The Comptroller General and Secretary, in consultation with the study group, shall design and conduct a study to identify and evaluate means of establishing a market mechanism for the delivery of loans made pursuant to such title IV.

[(b) DESIGN OF STUDY.—The study required under this section shall identify not fewer than 3 different market mechanisms for use in determining lender return on student loans while continuing to meet the other objectives of the programs under parts B and D of such title IV, including the provision of loans to all eligible students. Consideration may be given to the use of auctions and to the feasibility of incorporating income-contingent repayment options into the student loan system and requiring borrowers to repay through income tax withholding.

[(c) EVALUATION OF MARKET MECHANISMS.—The mechanisms identified under subsection (b) shall be evaluated in terms of the following areas:

[(1) The cost or savings of loans to or for borrowers, including parent borrowers.

[(2) The cost or savings of the mechanism to the Federal Government.

[(3) The cost, effect, and distribution of Federal subsidies to or for participants in the program.

[(4) The ability of the mechanism to accommodate the potential distribution of subsidies to students through an income-contingent repayment option.

[(5) The effect on the simplicity of the program, including the effect of the plan on the regulatory burden on students, institutions, lenders, and other program participants.

[(6) The effect on investment in human capital and resources, loan servicing capability, and the quality of service to the borrower.

[(7) The effect on the diversity of lenders, including community-based lenders, originating and secondary market lenders.

[(8) The effect on program integrity.

[(9) The degree to which the mechanism will provide market incentives to encourage continuous improvement in the delivery and servicing of loans.

[(10) The availability of loans to students by region, income level, and by categories of institutions.

[(11) The proposed Federal and State role in the operation of the mechanism.

[(12) A description of how the mechanism will be administered and operated.

[(13) Transition procedures, including the effect on loan availability during a transition period.

[(14) Any other areas the study group may include.

[(d) PRELIMINARY FINDINGS AND PUBLICATION OF STUDY.—Not later than November 15, 2000, the study group shall make the group's preliminary findings, including any additional or dissenting views, available to the public with a 60-day request for public comment. The study group shall review these comments and the Comptroller General and the Secretary shall transmit a final report, including any additional or dissenting views, to the Committee on Education and the Workforce of the House of Representatives, the Committee on Labor and Human Resources of the Senate, and the Committees on the Budget of the House of Representatives and the Senate not later than May 15, 2001.

[SEC. 802. STUDY OF THE FEASIBILITY OF ALTERNATIVE FINANCIAL INSTRUMENTS FOR DETERMINING LENDER YIELDS.

[(a) STUDY REQUIRED.—The Comptroller General and the Secretary of Education shall convene a study group including the Secretary of the Treasury, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, representatives of entities making loans under part B of title IV of the Higher Education Act of 1965, representatives of other entities in the financial services community, representatives of other participants in the student loan programs, and such other individuals as the Comptroller General and the Secretary of Education may designate. The Comptroller General and the Secretary of Education, in consultation with the study group, shall evaluate the 91-day Treasury bill, 30-day and 90-day commercial paper, and the 90-day London Interbank Offered Rate (in this section referred to as "LIBOR") in terms of the following:

[(1) The historical liquidity of the market for each, and a historical comparison of the spread between: (A) the 30-day and 90-day commercial paper rate, respectively, and the 91-day Treasury bill rate; and (B) the spread between the LIBOR and the 91-day Treasury bill rate.

[(2) The historical volatility of the rates and projections of future volatility.

[(3) Recent changes in the liquidity of the market for each such instrument in a balanced Federal budget environment and a low-interest rate environment, and projections of future liquidity assuming the Federal budget remains in balance.

[(4) The cost or savings to lenders with small, medium, and large student loan portfolios of basing lender yield on either the 30-day or 90-day commercial paper rate or the LIBOR while continuing to base the borrower rate on the 91-day

Treasury bill, and the effect of such change on the diversity of lenders participating in the program.

[(5) The cost or savings to the Federal Government of basing lender yield on either the 30-day or 90-day commercial paper rate or the LIBOR while continuing to base the borrower rate on the 91-day Treasury bill.

[(6) Any possible risks or benefits to the student loan programs under the Higher Education Act of 1965 and to student borrowers.

[(7) Any other areas the Comptroller General and the Secretary of Education agree to include.

[(b) REPORT REQUIRED.—Not later than 6 months after the date of enactment of this Act, the Comptroller General and the Secretary shall submit a final report regarding the findings of the study group to the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

[SEC. 803. STUDENT-RELATED DEBT STUDY REQUIRED.

[(a) IN GENERAL.—The Secretary of Education shall conduct a study that analyzes the distribution and increase in student-related debt in terms of—

[(1) demographic characteristics, such as race or ethnicity, and family income;

[(2) type of institution and whether the institution is a public or private institution;

[(3) loan source, such as Federal, State, institutional or other, and, if the loan source is Federal, whether the loan is or is not subsidized;

[(4) academic field of study;

[(5) parent loans, and whether the parent loans are federally guaranteed, private, or property-secured such as home equity loans; and

[(6) relation of student debt or anticipated debt to—

[(A) students' decisions about whether and where to enroll in college and whether or how much to borrow in order to attend college;

[(B) the length of time it takes students to earn baccalaureate degrees;

[(C) students' decisions about whether and where to attend graduate school;

[(D) graduates' employment decisions;

[(E) graduates' burden of repayment as reflected by the graduates' ability to save for retirement or invest in a home; and

[(F) students' future earnings.

[(b) REPORT.—After conclusion of the study required by subsection (a), the Secretary of Education shall submit a final report regarding the findings of the study to the Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives not later than 18 months after the date of enactment of the Higher Education Amendments of 1998.

[(c) INFORMATION.—After the study and report under this section are concluded, the Secretary of Education shall determine which information described in subsection (a) would be useful for families

to know and shall include such information as part of the comparative information provided to families about the costs of higher education under the provisions of part C of title I.]

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[Part C—COMMUNITY SCHOLARSHIP MOBILIZATION

[SEC. 811. SHORT TITLE.

[This part may be cited as the "Community Scholarship Mobilization Act".

[SEC. 812. FINDINGS.

[Congress finds that—

[(1) the local community, when properly organized and challenged, is one of the best sources of academic support, motivation toward achievement, and financial resources for aspiring postsecondary students;

[(2) local communities, working to complement or augment services currently offered by area schools and colleges, can raise the educational expectations and increase the rate of postsecondary attendance of their youth by forming locally based organizations that provide both academic support (including guidance, counseling, mentoring, tutoring, encouragement, and recognition) and tangible, locally raised, effectively targeted, publicly recognized, financial assistance;

[(3) proven methods of stimulating these community efforts can be promoted through Federal support for the establishment of regional, State, or community program centers to organize and challenge community efforts to develop educational incentives and support for local students; and

[(4) using Federal funds to leverage private contributions to help students from low-income families attain educational and career goals is an efficient and effective investment of scarce taxpayer-provided resources.

[SEC. 813. DEFINITIONS.

[In this part:

[(1) REGIONAL, STATE, OR COMMUNITY PROGRAM CENTER.—The term "regional, State, or community program center" means an organization that—

[(A) is a division or member of, responsible to, and overseen by, a national organization; and

[(B) is staffed by professionals trained to create, develop, and sustain local entities in towns, cities, and neighborhoods.

[(2) LOCAL ENTITY.—The term "local entity" means an organization that—

[(A) is a nonprofit 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 shall meet this criteria through affiliation with the national organization);

[(B) is formed for the purpose of providing educational scholarships and academic support for residents of the local community served by such organization;

[(C) solicits broad-based community support in its academic support and fund-raising activities;

[(D) is broadly representative of the local community in the structures of its volunteer-operated organization and has a board of directors that includes leaders from local neighborhood organizations and neighborhood residents, such as school or college personnel, parents, students, community agency representatives, retirees, and representatives of the business community;

[(E) awards scholarships without regard to age, sex, marital status, race, creed, color, religion, national origin, or disability; and

[(F) gives priority to awarding scholarships for postsecondary education to deserving students from low-income families in the local community.

[(3) NATIONAL ORGANIZATION.—The term "national organization" means an organization that—

[(A) has the capacity to create, develop and sustain local entities and affiliated regional, State, or community program centers;

[(B) has the capacity to sustain newly created local entities in towns, cities, and neighborhoods through ongoing training support programs;

[(C) 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;

[(D) is a publicly supported organization within the meaning of section 170(b)(1)(A)(iv) of such Code;

[(E) ensures that each of the organization's local entities meet the criteria described in subparagraphs (C) and (D); and

[(F) has a program for or experience in cooperating with secondary and postsecondary institutions in carrying out the organization's scholarship and academic support activities.

[(4) HIGH POVERTY AREA.—The term "high poverty area" means a community with a higher percentage of children from low-income families than the national average of such percentage and a lower percentage of children pursuing postsecondary education than the national average of such percentage.

[(5) SECRETARY.—The term "Secretary" means the Secretary of Education.

[(6) STUDENTS FROM LOW-INCOME FAMILIES.—The term "students from low-income families" means students determined, pursuant to part F of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087kk et seq.), to be eligible for a Federal Pell Grant under subpart 1 of part A of title IV of such Act (20 U.S.C. 1070a).

[SEC. 814. PURPOSE; ENDOWMENT GRANT AUTHORITY.

[(a) PURPOSE.—It is the purpose of this part to establish and support regional, State or community program centers to enable such centers to foster the development of local entities in high pov-

erty areas that promote higher education goals for students from low-income families by—

[(1) providing academic support, including guidance, counseling, mentoring, tutoring, and recognition; and

[(2) providing scholarship assistance for the cost of postsecondary education.

[(b) ENDOWMENT GRANT AUTHORITY.—From the funds appropriated pursuant to the authority of section 816, the Secretary shall award an endowment grant, on a competitive basis, to a national organization to enable such organization to support the establishment or ongoing work of regional, State or community program centers that foster the development of local entities in high poverty areas to improve secondary school graduation rates and postsecondary attendance through the provision of academic support services and scholarship assistance for the cost of postsecondary education.

[SEC. 815. GRANT AGREEMENT AND REQUIREMENTS.

[(a) IN GENERAL.—The Secretary shall award one or more endowment grants described in section 814(b) pursuant to an agreement between the Secretary and a national organization. Such agreement shall—

[(1) require a national organization to establish an endowment fund in the amount of the grant, the corpus of which shall remain intact and the interest income from which shall be used to support the activities described in paragraphs (2) and (3);

[(2) require a national organization to use 70 percent of the interest income from the endowment fund in any fiscal year to support the establishment or ongoing work of regional, State or community program centers to enable such centers to work with local communities to establish local entities in high poverty areas and provide ongoing technical assistance, training workshops, and other activities to help ensure the ongoing success of the local entities;

[(3) require a national organization to use 30 percent of the interest income from the endowment fund in any fiscal year to provide scholarships for postsecondary education to students from low-income families, which scholarships shall be matched on a dollar-for-dollar basis from funds raised by the local entities;

[(4) require that at least 50 percent of all the interest income from the endowment be allocated to establish new local entities or support regional, State or community program centers in high poverty areas;

[(5) require a national organization to submit, for each fiscal year in which such organization uses the interest from the endowment fund, a report to the Secretary that contains—

[(A) a description of the programs and activities supported by the interest on the endowment fund;

[(B) the audited financial statement of the national organization for the preceding fiscal year;

[(C) a plan for the programs and activities to be supported by the interest on the endowment fund as the Secretary may require;

[(D) an evaluation of the programs and activities supported by the interest on the endowment fund as the Secretary may require; and

[(E) data indicating the number of students from low-income families who receive scholarships from local entities, and the amounts of such scholarships;

[(6) contain such assurances as the Secretary may require with respect to the management and operation of the endowment fund; and

[(7) contain an assurance that if the Secretary determines that such organization is not in substantial compliance with the provisions of this part, then the national organization shall pay to the Secretary an amount equal to the corpus of the endowment fund plus any accrued interest on such fund that is available to the national organization on the date of such determination.

[(b) RETURNED FUNDS.—All funds returned to the Secretary pursuant to subsection (a)(7) shall be available to the Secretary to carry out any scholarship or grant program assisted under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.).

[SEC. 816. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part $10,000,000 for fiscal year 2000.

[Part D—GRANTS TO STATES FOR WORKPLACE AND COMMUNITY TRANSITION TRAINING FOR INCARCERATED YOUTH OFFENDERS

[SEC. 821. GRANTS TO STATES FOR WORKPLACE AND COMMUNITY TRANSITION TRAINING FOR INCARCERATED YOUTH OFFENDERS.

[(a) FINDINGS.—Congress makes the following findings:

[(1) Over 150,000 youth offenders age 21 and younger are incarcerated in the Nation's jails, juvenile facilities, and prisons.

[(2) Most youth offenders who are incarcerated have been sentenced as first-time adult felons.

[(3) Approximately 75 percent of youth offenders are high school dropouts who lack basic literacy and life skills, have little or no job experience, and lack marketable skills.

[(4) The average incarcerated youth has attended school only through grade 10.

[(5) Most of these youths can be diverted from a life of crime into productive citizenship with available educational, vocational, work skills, and related service programs.

[(6) If not involved with educational programs while incarcerated, almost all of these youths will return to a life of crime upon release.

[(7) The average length of sentence for a youth offender is about 3 years. Time spent in prison provides a unique opportunity for education and training.

[(8) Even with quality education and training provided during incarceration, a period of intense supervision, support, and counseling is needed upon release to ensure effective reintegration of youth offenders into society.

[(9) Research consistently shows that the vast majority of incarcerated youths will not return to the public schools to complete their education.

[(10) There is a need for alternative educational opportunities during incarceration and after release.

[(b) DEFINITION.—For purposes of this part, the term "youth offender" means a male or female offender under the age of 25, who is incarcerated in a State prison, including a prerelease facility.

[(c) GRANT PROGRAM.—The Secretary of Education (in this section referred to as the "Secretary") shall establish a program in accordance with this section to provide grants to the State correctional education agencies in the States, from allocations for the States under subsection (i), to assist and encourage incarcerated youths to acquire functional literacy, life, and job skills, through the pursuit of a postsecondary education certificate, or an associate of arts or bachelor's degree while in prison, and employment counseling and other related services which start during incarceration and continue through prerelease and while on parole.

[(d) APPLICATION.—To be eligible for a grant under this section, a State correctional education agency shall submit to the Secretary a proposal for a youth offender program that—

[(1) identifies the scope of the problem, including the number of incarcerated youths in need of postsecondary education and vocational training;

[(2) lists the accredited public or private educational institution or institutions that will provide postsecondary educational services;

[(3) lists the cooperating agencies, public and private, or businesses that will provide related services, such as counseling in the areas of career development, substance abuse, health, and parenting skills;

[(4) describes the evaluation methods and performance measures that the State correctional education agency will employ, which methods and measures—

[(A) shall be appropriate to meet the goals and objectives of the proposal; and

[(B) shall include measures of—

[(i) program completion;

[(ii) student academic and vocational skill attainment;

[(iii) success in job placement and retention; and

[(iv) recidivism;

[(5) describes how the proposed programs are to be integrated with existing State correctional education programs (such as adult education, graduate education degree programs, and vocational training) and State industry programs;

[(6) addresses the educational needs of youth offenders who are in alternative programs (such as boot camps); and

[(7) describes how students will be selected so that only youth offenders eligible under subsection (f) will be enrolled in postsecondary programs.

[(e) PROGRAM REQUIREMENTS.—Each State correctional education agency receiving a grant under this section shall—

[(1) integrate activities carried out under the grant with the objectives and activities of the school-to-work programs of such State, including—

[(A) work experience or apprenticeship programs;

[(B) transitional worksite job training for vocational education students that is related to the occupational goals of such students and closely linked to classroom and laboratory instruction;

[(C) placement services in occupations that the students are preparing to enter;

[(D) employment-based learning programs; and

[(E) programs that address State and local labor shortages;

[(2) annually report to the Secretary and the Attorney General on the results of the evaluations conducted using the methods and performance measures contained in the proposal; and

[(3) provide to each State for each student eligible under subsection (f) not more than $1,500 annually for tuition, books, and essential materials, and not more than $300 annually for related services such as career development, substance abuse counseling, parenting skills training, and health education, for each eligible incarcerated youth.

[(f) STUDENT ELIGIBILITY.—A youth offender shall be eligible for participation in a program receiving a grant under this section if the youth offender—

[(1) is eligible to be released within 5 years (including a youth offender who is eligible for parole within such time); and

[(2) is 25 years of age or younger.

[(g) LENGTH OF PARTICIPATION.—A State correctional education agency receiving a grant under this section shall provide educational and related services to each participating youth offender for a period not to exceed 5 years, 1 year of which may be devoted to study in a graduate education degree program or to remedial education services for students who have obtained a secondary school diploma or its recognized equivalent. Educational and related services shall start during the period of incarceration in prison or prerelease and may continue during the period of parole.

[(h) EDUCATION DELIVERY SYSTEMS.—State correctional education agencies and cooperating institutions shall, to the extent practicable, use high-tech applications in developing programs to meet the requirements and goals of this section.

[(i) ALLOCATION OF FUNDS.—From the funds appropriated pursuant to subsection (j) for each fiscal year, the Secretary shall allot to each State an amount that bears the same relationship to such funds as the total number of students eligible under subsection (f) in such State bears to the total number of such students in all States.

[(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $17,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years.]

Part D—GRANTS FOR TRAINING FOR INCARCERATED INDIVIDUALS

SEC. 821. GRANTS FOR IMPROVED WORKPLACE AND COMMUNITY TRANSITION TRAINING FOR INCARCERATED INDIVIDUALS.

(a) DEFINITION.—In this section:

(1) INCARCERATED INDIVIDUAL.—The term "incarcerated individual" means a male or female offender who is incarcerated in a State or Federal prison, including a prerelease facility.

(2) SECRETARY.—The term "Secretary" means the Secretary of Education.

(b) GRANT PROGRAM.—The Secretary—

(1) shall establish a program in accordance with this section to provide grants to the State correctional education agencies in the States, and to the Federal Bureau of Prisons, to assist and encourage incarcerated individuals to acquire educational and job skills, through—

(A) coursework to prepare students to take college-level courses, such as remedial math and English for postsecondary preparation;

(B) the pursuit of a postsecondary education certificate, or an associate or bachelor's degree, provided by a regionally or nationally accredited body while in prison; and

(C) employment counseling and other related services which start during incarceration and end not later than 1 year after release from confinement; and

(2) may establish such performance objectives and reporting requirements for State correctional education agencies and the Federal Bureau of Prisons receiving grants under this section as the Secretary determines are necessary to assess the effectiveness of the program under this section.

(c) APPLICATION.—To be eligible for a grant under this section, a State correctional education agency or the Federal Bureau of Prisons shall submit to the Secretary a proposal for an incarcerated individual program that—

(1) identifies the scope of the problem, including the number of incarcerated individuals in need of postsecondary education and vocational training;

(2) lists the accredited public or private educational institution or institutions with campuses established outside the prison facility that will provide postsecondary preparatory or postsecondary educational services;

(3) lists the cooperating agencies, public and private, or businesses that will provide related services, such as counseling in the areas of career development, substance abuse, health, and parenting skills;

(4) describes specific performance objectives and evaluation methods (in addition to, and consistent with, any objectives established by the Secretary under subsection (b)(2)) that the State correctional education agency or the Federal Bureau of Prisons will use in carrying out its proposal, including—

(A) specific and quantified student outcome measures that are referenced to outcomes for non-program participants with similar demographic characteristics; and

(B) measures, consistent with the data elements and definitions described in subsection (d)(1)(A), of—

(i) program completion, including an explicit definition of what constitutes a program completion within the proposal;

(ii) knowledge and skill attainment, including specification of instruments that will measure knowledge and skill attainment;

(iii) attainment of employment both prior to and subsequent to release;

(iv) success in employment indicated by job retention and advancement; and

(v) recidivism, including such subindicators as time before subsequent offense and severity of offense;

(5) describes how the proposed programs are to be integrated with existing State and Federal correctional education programs (such as adult education, graduate education degree programs, and vocational training) and State and Federal prison industry programs; and

(6) describes how the proposed programs will have considered or will utilize technology to deliver the services under this section.

(d) PROGRAM REQUIREMENTS.—Each State correctional education agency and Federal Bureau of Prisons entity receiving a grant under this section shall—

(1) annually report to the Secretary regarding—

(A) the results of the evaluations conducted using data elements and definitions provided by the Secretary for the use of State correctional education programs and the Federal Bureau of Prisons;

(B) any objectives or requirements established by the Secretary pursuant to subsection (b)(2);

(C) the additional performance objectives and evaluation methods contained in the proposal described in subsection (c)(4) as necessary to document the attainment of project performance objectives; and

(D) how the funds provided under this section are being allocated among postsecondary preparatory education, postsecondary academic, and vocational education programs; and

(2) provide to each State and the Federal Bureau of Prisons for each student eligible under subsection (e) not more than—

(A) $3,000 annually for tuition, books, and essential materials; and

(B) $300 annually for related services such as career development, substance abuse counseling, parenting skills training, and health education.

(e) EDUCATION DELIVERY SYSTEMS.—State correctional education agencies, the Federal Bureau of Prisons, and cooperating institutions shall, to the extent practicable, use high-tech applications in developing programs to meet the requirements and goals of this section.

(f) LENGTH OF PARTICIPATION.—Services carried out with a grant under this section shall be available to incarcerated individuals as follows:

(1) Educational services shall start during the period of incarceration or prerelease and shall end upon release.

(2) Related services shall start during the period of incarceration or prerelease and may continue for not more than one year after release.

(g) FEDERAL BUREAU OF PRISONS GRANT ELIGIBILITY.—Notwithstanding any other provision of law, the Federal Bureau of Prisons shall be eligible to apply for and receive a grant under this section, provided that the Federal Bureau of Prisons meets the application and program requirements under this section.

(h) ALLOCATION OF FUNDS.—

(1) STATES.—From the funds appropriated pursuant to subsection (i) for each fiscal year, the Secretary shall allot to each State an amount that bears the same ratio to such funds as the total number of incarcerated individuals in such State bears to the total number of such incarcerated individuals in all States.

(2) FEDERAL BUREAU OF PRISONS FACILITIES.—From the funds appropriated pursuant to subsection (h) for each fiscal year, the Secretary shall allot to each Federal Bureau of Prisons facility an amount that bears the same ratio to such funds as the total number of inmates in such facility bears to the total number of inmates in all Bureau of Prisons facilities.

(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 4 succeeding fiscal years.

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[Part F—IMPROVING UNITED STATES UNDERSTANDING OF SCIENCE, ENGINEERING, AND TECHNOLOGY IN EAST ASIA

[SEC. 831. IMPROVING UNITED STATES UNDERSTANDING OF SCIENCE, ENGINEERING, AND TECHNOLOGY IN EAST ASIA.

[(a) ESTABLISHMENT.—The Director of the National Science Foundation is authorized, beginning in fiscal year 2000, to carry out an interdisciplinary program of education and research on East Asian science, engineering, and technology. The Director shall carry out the interdisciplinary program in consultation with the Secretary of Education.

[(b) PURPOSES.—The purposes of the program established under this section shall be to—

[(1) increase understanding of East Asian research, and innovation for the creative application of science and technology to the problems of society;

[(2) provide scientists, engineers, technology managers, and students with training in East Asian languages, and with an understanding of research, technology, and management of innovation, in East Asian countries;

[(3) provide program participants with opportunities to be directly involved in scientific and engineering research, and activities related to the management of scientific and technological innovation, in East Asia; and

[(4) create mechanisms for cooperation and partnerships among United States industry, universities, colleges, not-for-

profit institutions, Federal laboratories (within the meaning of section 4(6) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3703(6))), and government, to disseminate the results of the program assisted under this section for the benefit of United States research and innovation.

[(c) PARTICIPATION BY FEDERAL SCIENTISTS, ENGINEERS, AND MANAGERS.—Scientists, engineers, and managers of science and engineering programs in Federal agencies and the Federal laboratories shall be eligible to participate in the program assisted under this section on a reimbursable basis.

[(d) REQUIREMENT FOR MERIT REVIEW.—Awards made under the program established under this section shall only be made using a competitive, merit-based review process.

[(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000 for fiscal year 2000.]

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Part H—UNDERGROUND RAILROAD

SEC. 841. UNDERGROUND RAILROAD EDUCATIONAL AND CULTURAL PROGRAM.

(a) * * *

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(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out [this section $6,000,000 for fiscal year 1999, $6,000,000 for fiscal year 2000, $6,000,000 for fiscal year 2001, $3,000,000 for fiscal year 2002, and $3,000,000 for fiscal year 2003.] *this section $3,000,000 for fiscal years 2009 and the 4 succeeding fiscal years.*

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[Part J—WEB-BASED EDUCATION COMMISSION

[SEC. 851. DEFINITIONS.

[(a) IN GENERAL.—This part may be cited as the "Web-Based Education Commission Act".

[(b) DEFINITIONS.—In this part:

[(1) COMMISSION.—The term "Commission" means the Web-Based Education Commission established under section 852.

[(2) INFORMATION TECHNOLOGY.—The term "information technology" has the meaning given that term in section 5002 of the Information Technology Management Reform Act of 1996 (110 Stat. 679).

[(3) STATE.—The term "State" means each of the several States of the United States and the District of Columbia.

[SEC. 852. ESTABLISHMENT OF WEB-BASED EDUCATION COMMISSION.

[(a) ESTABLISHMENT.—There is established a commission to be known as the Web-Based Education Commission.

[(b) MEMBERSHIP.—

[(1) COMPOSITION.—The Commission shall be composed of 16 members, of which—

[(A) three members shall be appointed by the President, from among individuals representing the Internet technology industry;

[(B) three members shall be appointed by the Secretary, from among individuals with expertise in accreditation, establishing statewide curricula, and establishing information technology networks pertaining to education curricula;

[(C) two members shall be appointed by the Majority Leader of the Senate;

[(D) two members shall be appointed by the Minority Leader of the Senate;

[(E) two members shall be appointed by the Speaker of the House of Representatives;

[(F) two members shall be appointed by the Minority Leader of the House of Representatives;

[(G) one member shall be appointed by the Chairperson of the Committee on Health, Education, Labor, and Pensions of the Senate from among members of the Senate; and

[(H) one member shall be appointed by the Chairperson of the Committee on Education and the Workforce of the House of Representatives from among members of the House of Representatives.

[(2) DATE.—The appointments of the members of the Commission shall be made not later than 45 days after the date of enactment of this Act.

[(c) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

[(d) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold the Commission's first meeting.

[(e) MEETINGS.—The Commission shall meet at the call of the Chairperson.

[(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

[(g) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall select a chairperson and vice chairperson from among the members of the Commission.

[SEC. 853. DUTIES OF THE COMMISSION.

[(a) STUDY.—

[(1) IN GENERAL.—The Commission shall conduct a thorough study to assess the educational software available in retail markets for secondary and postsecondary students who choose to use such software.

[(2) PUBLIC HEARINGS.—As part of the study conducted under this subsection, the Commission shall hold public hearings in each region of the United States concerning the assessment referred to in paragraph (1).

[(3) EXISTING INFORMATION.—To the extent practicable, in carrying out the study under this subsection, the Commission shall identify and use existing information related to the assessment referred to in paragraph (1).

[(b) REPORT.—Not later than 12 months after the first meeting of the Commission, the Commission shall submit a report to the President and Congress that shall contain a detailed statement of the findings and conclusions of the Commission resulting from the study, together with the Commission's recommendations—

[(1) for such legislation and administrative actions as the Commission considers to be appropriate; and

[(2) regarding the appropriate Federal role in determining quality educational software products.

[(c) FACILITATION OF EXCHANGE OF INFORMATION.—In carrying out the study under subsection (a), the Commission shall, to the extent practicable, facilitate the exchange of information concerning the issues that are the subject of the study among—

[(1) officials of the Federal Government, and State governments and political subdivisions of States; and

[(2) educators from Federal, State, and local institutions of higher education and secondary schools.

[SEC. 854. POWERS OF THE COMMISSION.

[(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the duties of the Commission.

[(b) INFORMATION FROM FEDERAL AGENCIES.—The Commission may request from the head of any Federal agency or instrumentality such information as the Commission considers necessary to carry out the provisions of this part. Each such agency or instrumentality shall, to the extent permitted by law and subject to the exceptions set forth in section 552 of title 5, United States Code (commonly referred to as the Freedom of Information Act), furnish such information to the Commission upon request.

[(c) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

[(d) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

[SEC. 855. COMMISSION PERSONNEL MATTERS.

[(a) COMPENSATION OF MEMBERS.—Except as provided in subsection (b), each member of the Commission who is not an officer or employee of the Federal Government shall serve without compensation. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

[(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed 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.

[(c) STAFF.—

[(1) IN GENERAL.—The Chairperson of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commis-

sion to perform the Commission's duties. The employment of an executive director shall be subject to confirmation by the Commission.

[(2) COMPENSATION.—The Chairperson of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

[(d) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

[(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals that do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

[SEC. 856. TERMINATION OF THE COMMISSION.

[The Commission shall terminate on the date that is 90 days after the date on which the Commission submits the Commission's report under section 853(b).

[SEC. 857. AUTHORIZATION OF APPROPRIATIONS.

[(a) IN GENERAL.—There are authorized to be appropriated $450,000 for fiscal year 1999 to the Commission to carry out this part.

[(b) AVAILABILITY.—Any sums appropriated under the authorization contained in this section shall remain available, without fiscal year limitation, until expended.]

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HIGHER EDUCATION AMENDMENTS OF 1992

* * * * * * *

TITLE XV—RELATED PROGRAMS AND AMENDMENTS TO OTHER LAWS

* * * * * * *

Part E—OLYMPIC SCHOLARSHIPS

* * * * * * *

SEC. 1543. OLYMPIC SCHOLARSHIPS.

(a) * * *

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(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 for fiscal year [1999] *2009* and such

sums as may be necessary for each of the 4 succeeding fiscal years to carry out this section.

* * * * * * *

DEPARTMENT OF EDUCATION ORGANIZATION ACT

* * * * * * *

TITLE II—ESTABLISHMENT OF THE DEPARTMENT

* * * * * * *

PRINCIPAL OFFICERS

SEC. 202. (a) * * *

(b)(1) There shall be in the Department—

(A) * * *

* * * * * * *

(E) an Assistant Secretary for Civil Rights; **[**and**]**

(F) an Assistant Secretary for International and Foreign Language Education; and

[(F)**]** *(G)* a General Counsel.

* * * * * * *

(e) There shall be in the Department four additional officers who shall be appointed by the President, by and with the advice and consent of the Senate. The officers appointed under this subsection shall perform such functions as the Secretary shall prescribe, including—

(1) * * *

* * * * * * *

(4) management and budget functions; *and*

(5) planning, evaluation, and policy development functions, including development of policies to promote the efficient and coordinated administration of the Department and its programs and to encourage improvements in education**[**; and**]**.

[(6) functions related to encouraging and promoting the study of foreign languages and the study of cultures of other countries at the elementary, secondary, and postsecondary levels.**]**

* * * * * * *

(j) The Assistant Secretary for International and Foreign Language Education—

(1) shall be an individual with extensive background and experience in international and foreign language education; and

(2) notwithstanding any other provision of law, shall report directly to the Secretary.

* * * * * * *

OFFICE OF INTERNATIONAL AND FOREIGN LANGUAGE EDUCATION

SEC. 207A. There shall be in the Department an Office of International and Foreign Language Education, to be administered by the Assistant Secretary for International and Foreign Language Education appointed under section 202(b). In addition to per-

forming such functions affecting international and foreign language education as the Secretary may prescribe, the Assistant Secretary shall—

(1) have responsibility for encouraging and promoting the study of foreign languages and the study of cultures of other countries at the elementary, secondary, and postsecondary levels in the United States;

(2) carry out the administration of all Department programs on international and foreign language education and research;

(3) coordinate with related international and foreign language education programs of other Federal departments and agencies; and

(4) administer and coordinate the Department of Education's activities in international affairs.

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OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968

TITLE I—JUSTICE SYSTEM IMPROVEMENT

* * * * * * *

Part JJ—LOAN REPAYMENT FOR PROSECUTORS AND PUBLIC DEFENDERS

SEC. 3111. GRANT AUTHORIZATION.

(a) PURPOSE.—The purpose of this section is to encourage qualified individuals to enter and continue employment as prosecutors and public defenders.

(b) DEFINITIONS.—In this section:

(1) PROSECUTOR.—The term "prosecutor" means a full-time employee of a State or local agency who—

(A) is continually licensed to practice law; and

(B) prosecutes criminal or juvenile delinquency cases (or both) at the State or local level, including an employee who supervises, educates, or trains other persons prosecuting such cases.

(2) PUBLIC DEFENDER.—The term "public defender" means an attorney who—

(A) is continually licensed to practice law; and

(B) is—

(i) a full-time employee of a State or local agency who provides legal representation to indigent persons in criminal or juvenile delinquency cases (or both), including an attorney who supervises, educates, or trains other persons providing such representation;

(ii) a full-time employee of a nonprofit organization operating under a contract with a State or unit of local government, who devotes substantially all of such full-time employment to providing legal representation to indigent persons in criminal or juvenile delinquency cases (or both), including an attorney who supervises,

educates, or trains other persons providing such representation; or

(iii) employed as a full-time Federal defender attorney in a defender organization established pursuant to subsection (g) of section 3006A of title 18, United States Code, that provides legal representation to indigent persons in criminal or juvenile delinquency cases (or both).

(3) STUDENT LOAN.—The term "student loan" means—

(A) a loan made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.);

(B) a loan made under part D or E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087a et seq. and 1087aa et seq.); and

(C) a loan made under section 428C or 455(g) of the Higher Education Act of 1965 (20 U.S.C. 1078–3 and 1087e(g)) to the extent that such loan was used to repay a Federal Direct Stafford Loan, a Federal Direct Unsubsidized Stafford Loan, or a loan made under section 428 or 428H of such Act.

(c) PROGRAM AUTHORIZED.—The Attorney General shall, subject to the availability of appropriations, establish a program by which the Department of Justice shall assume the obligation to repay a student loan, by direct payments on behalf of a borrower to the holder of such loan, in accordance with subsection (d), for any borrower who—

(1) is employed as a prosecutor or public defender; and

(2) is not in default on a loan for which the borrower seeks forgiveness.

(d) TERMS OF LOAN REPAYMENT.—

(1) BORROWER AGREEMENT.—To be eligible to receive repayment benefits under subsection (c), a borrower shall enter into a written agreement with the Attorney General that specifies that—

(A) the borrower will remain employed as a prosecutor or public defender for a required period of service of not less than 3 years, unless involuntarily separated from that employment;

(B) if the borrower is involuntarily separated from employment on account of misconduct, or voluntarily separates from employment, before the end of the period specified in the agreement, the borrower will repay the Attorney General the amount of any benefits received by such employee under this section; and

(C) if the borrower is required to repay an amount to the Attorney General under subparagraph (B) and fails to repay such amount, a sum equal to that amount shall be recoverable by the Federal Government from the employee (or such employee's estate, if applicable) by such methods as are provided by law for the recovery of amounts owed to the Federal Government.

(2) REPAYMENT BY BORROWER.—

(A) IN GENERAL.—Any amount repaid by, or recovered from, an individual or the estate of an individual under

this subsection shall be credited to the appropriation account from which the amount involved was originally paid.

(B) MERGER.—Any amount credited under subparagraph (A) shall be merged with other sums in such account and shall be available for the same purposes and period, and subject to the same limitations, if any, as the sums with which the amount was merged.

(C) WAIVER.—The Attorney General may waive, in whole or in part, a right of recovery under this subsection if it is shown that recovery would be against equity and good conscience or against the public interest.

(3) LIMITATIONS.—

(A) STUDENT LOAN PAYMENT AMOUNT.—Student loan repayments made by the Attorney General under this section shall be made subject to the availability of appropriations, and subject to such terms, limitations, or conditions as may be mutually agreed upon by the borrower and the Attorney General in an agreement under paragraph (1), except that the amount paid by the Attorney General under this section shall not exceed—

(i) $10,000 for any borrower in any calendar year; or

(ii) an aggregate total of $60,000 in the case of any borrower.

(B) BEGINNING OF PAYMENTS.—Nothing in this section shall authorize the Attorney General to pay any amount to reimburse a borrower for any repayments made by such borrower prior to the date on which the Attorney General entered into an agreement with the borrower under this subsection.

(e) ADDITIONAL AGREEMENTS.—

(1) IN GENERAL.—On completion of the required period of service under an agreement under subsection (d), the borrower and the Attorney General may, subject to paragraph (2), enter into an additional agreement in accordance with subsection (d).

(2) TERM.—An agreement entered into under paragraph (1) may require the borrower to remain employed as a prosecutor or public defender for less than 3 years.

(f) AWARD BASIS; PRIORITY.—

(1) AWARD BASIS.—The Attorney General shall provide repayment benefits under this section—

(A) subject to the availability of appropriations; and

(B) in accordance with paragraph (2), except that the Attorney General shall determine a fair allocation of repayment benefits among prosecutors and defenders, and among employing entities nationwide.

(2) PRIORITY.—In providing repayment benefits under this section in any fiscal year, the Attorney General shall give priority to borrowers—

(A) who, when compared to other eligible borrowers, have the least ability to repay their student loans (considering whether the borrower is the beneficiary of any other student loan repayment program), as determined by the Attorney General; or

(B) who—

(i) received repayment benefits under this section during the preceding fiscal year; and

(ii) have completed less than 3 years of the first required period of service specified for the borrower in an agreement entered into under subsection (d).

(g) REGULATIONS.—The Attorney General is authorized to issue such regulations as may be necessary to carry out the provisions of this section.

(h) REPORT BY INSPECTOR GENERAL.—Not later than 3 years after the date of the enactment of this section, the Inspector General of the Department of Justice shall submit to Congress a report on—

(1) the cost of the program authorized under this section; and

(2) the impact of such program on the hiring and retention of prosecutors and public defenders.

(i) GAO STUDY.—Not later than one year after the date of the enactment of this section, the Comptroller General shall conduct a study of, and report to Congress on, the impact that law school accreditation requirements and other factors have on the costs of law school and student access to law school, including the impact of such requirements on racial and ethnic minorities.

(j) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $25,000,000 for each of the fiscal years 2008 through 2013.

TITLE 18, UNITED STATES CODE

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Part I—CRIMES

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CHAPTER 11—BRIBERY, GRAFT, AND CONFLICTS OF INTEREST

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§ 209. Salary of Government officials and employees payable only by United States

(a) * * *

* * * * * * *

(i) This section does not prohibit—

(1) a public or private institution of higher education from providing an officer or employee of the executive branch of the United States Government, of any independent agency of the United States, or of the District of Columbia who is a current or former student of such institution, financial assistance for the purpose of repaying a student loan or providing forbearance of student loan repayment: Provided, that such repaying or providing forbearance—

(A) is not provided exclusively to officers and employees of the executive branch of the United States Government, of any independent agency of the United States, and of the District of Columbia; and

(B) is provided to any such officer or employee—

(i) in accordance with a written, published policy of the institution relating to repaying or providing forbearance, respectively, for students who perform public service; and

(ii) under the same terms and conditions as are available under such policy to other students of the institution who are performing public service and who qualify for such repayment or forbearance; and

(2) an officer or employee of the executive branch of the United States Government, of any independent agency of the United States, or of the District of Columbia from receiving repayment or forbearance permitted under paragraph (1).

* * * * * * *

STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT OF 1980

* * * * * * *

SEC. 5. EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE TECHNOLOGY.

(a) * * *

* * * * * * *

(c) MINORITY SERVING INSTITUTION DIGITAL AND WIRELESS TECHNOLOGY OPPORTUNITY PROGRAM.—

(1) IN GENERAL.—The Secretary shall establish a Minority Serving Institution Digital and Wireless Technology Opportunity Program to assist eligible institutions in acquiring, and augmenting their use of, digital and wireless networking technologies to improve the quality and delivery of educational services at eligible institutions.

(2) AUTHORIZED ACTIVITIES.—An eligible institution may use a grant, cooperative agreement, or contract awarded under this subsection—

(A) to acquire equipment, instrumentation, networking capability, hardware and software, digital network technology, wireless technology, and infrastructure to further the objective of the Program described in paragraph (1);

(B) to develop and provide training, education, and professional development programs, including faculty development, to increase the use of, and usefulness of, digital and wireless networking technology;

(C) to provide teacher education, including the provision of preservice teacher training and in-service professional development at eligible institutions, library and media specialist training, and preschool and teacher aid certification to individuals who seek to acquire or enhance technology skills in order to use digital and wireless networking technology in the classroom or instructional process, including instruction in science, mathematics, engineering, and technology subjects;

(D) to obtain capacity-building technical assistance, including through remote technical support, technical assistance workshops, and distance learning services; and

(E) to foster the use of digital and wireless networking technology to improve research and education, including scientific, mathematics, engineering, and technology instruction.

(3) APPLICATION AND REVIEW PROCEDURES.—

(A) IN GENERAL.—To be eligible to receive a grant, cooperative agreement, or contract under this subsection, an eligible institution shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Such application, at a minimum, shall include a description of how the funds will be used, including a description of any digital and wireless networking technology to be acquired, and a description of how the institution will ensure that digital and wireless networking will be made accessible to, and employed by, students, faculty, and administrators. The Secretary, consistent with subparagraph (C) and in consultation with the advisory council established under subparagraph (B), shall establish procedures to review such applications. The Secretary shall publish the application requirements and review criteria in the Federal Register, along with a statement describing the availability of funds.

(B) ADVISORY COUNCIL.—The Secretary shall establish an advisory council to advise the Secretary on the best approaches to encourage maximum participation by eligible institutions in the program established under paragraph (1), and on the procedures to review proposals submitted to the program. In selecting the members of the advisory council, the Secretary shall consult with representatives of appropriate organizations, including representatives of eligible institutions, to ensure that the membership of the advisory council includes representatives of minority businesses and eligible institution communities. The Secretary shall also consult with experts in digital and wireless networking technology to ensure that such expertise is represented on the advisory council.

(C) REVIEW PANELS.—Each application submitted under this subsection by an eligible institution shall be reviewed by a panel of individuals selected by the Secretary to judge the quality and merit of the proposal, including the extent to which the eligible institution can effectively and successfully utilize the proposed grant, cooperative agreement, or contract to carry out the program described in paragraph (1). The Secretary shall ensure that the review panels include representatives of minority serving institutions and others who are knowledgeable about eligible institutions and technology issues. The Secretary shall ensure that no individual assigned under this subsection to review any application has a conflict of interest with regard to that application. The Secretary shall take into consideration the recommendations of the review panel in determining whether to award a grant, cooperative agreement, or contract to an eligible institution.

(D) INFORMATION DISSEMINATION.—The Secretary shall convene an annual meeting of eligible institutions receiving

grants, cooperative agreements, or contracts under this subsection to foster collaboration and capacity-building activities among eligible institutions.

(E) MATCHING REQUIREMENT.—The Secretary may not award a grant, cooperative agreement, or contract to an eligible institution under this subsection unless such institution agrees that, with respect to the costs incurred by the institution in carrying out the program for which the grant, cooperative agreement, or contract was awarded, such institution shall make available, directly, or through donations from public or private entities, non-Federal contributions in an amount equal to one-quarter of the grant, cooperative agreement, or contract awarded by the Secretary, or $500,000, whichever is the lesser amount. The Secretary shall waive the matching requirement for any institution or consortium with no endowment, or an endowment that has a current dollar value lower than $50,000,000.

(F) AWARDS.—

(i) LIMITATION.—An eligible institution that receives a grant, cooperative agreement, or contract under this subsection that exceeds $2,500,000 shall not be eligible to receive another grant, cooperative agreement, or contract.

(ii) CONSORTIA.—Grants, cooperative agreements, and contracts may only be awarded to eligible institutions. Eligible institutions may seek funding under this subsection for consortia which may include other eligible institutions, a State or a State education agency, local education agencies, institutions of higher education, community-based organizations, national nonprofit organizations, or businesses, including minority businesses.

(iii) PLANNING GRANTS.—The Secretary may provide funds to develop strategic plans to implement such grants, cooperative agreements, or contracts.

(iv) INSTITUTIONAL DIVERSITY.—In awarding grants, cooperative agreements, and contracts to eligible institutions, the Secretary shall ensure, to the extent practicable, that awards are made to all types of institutions eligible for assistance under this subsection.

(v) NEED.—In awarding funds under this subsection, the Secretary shall give priority to the institution with the greatest demonstrated need for assistance.

(G) ANNUAL REPORT AND EVALUATION.—

(i) ANNUAL REPORT REQUIRED FROM RECIPIENTS.—Each institution that receives a grant, cooperative agreement, or contract awarded under this subsection shall provide an annual report to the Secretary on its use of the grant, cooperative agreement, or contract.

(ii) INDEPENDENT ASSESSMENT.—Not later than 6 months after the date of enactment of this subsection, the Secretary shall enter into a contract with the National Academy of Public Administration to conduct periodic assessments of the program. The Assessments shall be conducted once every 3 years during the 10-

year period following the enactment of this subsection. The assessments shall include an evaluation of the effectiveness of the program in improving the education and training of students, faculty and staff at eligible institutions that have been awarded grants, cooperative agreements, or contracts under the program; an evaluation of the effectiveness of the program in improving access to, and familiarity with, digital and wireless networking technology for students, faculty, and staff at all eligible institutions; an evaluation of the procedures established under paragraph (3)(A); and recommendations for improving the program, including recommendations concerning the continuing need for Federal support. In carrying out its assessments, the National Academy of Public Administration shall review the reports submitted to the Secretary under clause (i).

(iii) REPORT TO CONGRESS.—Upon completion of each independent assessment carried out under clause (ii), the Secretary shall transmit the assessment to Congress along with a summary of the Secretary's plans, if any, to implement the recommendations of the National Academy of Public Administration.

(H) DEFINITIONS.—In this subsection:

(i) DIGITAL AND WIRELESS NETWORKING TECHNOLOGY.—The term "digital and wireless networking technology" means computer and communications equipment and software that facilitates the transmission of information in a digital format.

(ii) ELIGIBLE INSTITUTION.—The term "eligible institution" means an institution that is—

(I) a historically Black college or university that is a part B institution, as defined in section 322(2) of the Higher Education Act of 1965 (20 U.S.C. 1061(2)), an institution described in section 326(e)(1)(A), (B), or (C) of that Act (20 U.S.C. 1063b(e)(1)(A), (B), or (C)), or a consortium of institutions described in this subparagraph;

(II) a Hispanic-serving institution, as defined in section 502(a)(5) of the Higher Education Act of 1965 (20 U.S.C. 1101a(a)(5));

(III) a tribally controlled college or university, as defined in section 316(b)(3) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b)(3));

(IV) an Alaska Native-serving institution under section 317(b) of the Higher Education Act of 1965 (20 U.S.C. 1059d(b));

(V) a Native Hawaiian-serving institution under section 317(b) of the Higher Education Act of 1965 (20 U.S.C. 1059d(b)); or

(VI) an institution of higher education (as defined in section 365 of the Higher Education Act of 1965 (20 U.S.C. 1067k)) with an enrollment of needy students (as defined in section 312(d) of the Higher Education Act of 1965 (20 U.S.C. 1058(d))).

(iii) 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).

(iv) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(v) MINORITY BUSINESS.—The term "minority business" includes HUBZone small business concerns (as defined in section 3(p) of the Small Business Act (15 U.S.C. 632(p))).

(vi) MINORITY INDIVIDUAL.—The term "minority individual" means an American Indian, Alaskan Native, Black (not of Hispanic origin), Hispanic (including persons of Mexican, Puerto Rican, Cuban and Central or South American origin), or Pacific Islander individual.

(vii) STATE.—The term "State" has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(viii) STATE EDUCATIONAL AGENCY.—The term "State educational agency" has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

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TRUTH IN LENDING ACT

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TITLE I—CONSUMER CREDIT COST DISCLOSURE

CHAPTER 1—GENERAL PROVISIONS

* * * * * * *

§ 104. Exempted transactions

This title does not apply to the following:

(1) * * *

* * * * * * *

(3) Credit transactions, other than those in which a security interest is or will be acquired in real property, or in personal property used or expected to be used as the principal dwelling of the consumer *and other than private educational loans (as that term is defined in section 140(a))*, in which the total amount financed exceeds $25,000.

* * * * * * *

CHAPTER 2—CREDIT TRANSACTIONS

Sec.

121. General requirement of disclosure.

* * * * * * *

140. Preventing unfair and deceptive private educational lending practices and eliminating conflicts of interest.

* * * * * * *

§ 128. Consumer credit not under open end credit plans

(a) * * *

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(e) TERMS AND DISCLOSURE WITH RESPECT TO PRIVATE EDUCATIONAL LOANS.—

(1) DISCLOSURES REQUIRED IN PRIVATE EDUCATIONAL LOAN APPLICATIONS AND SOLICITATIONS.—In any application for a private educational loan, or a solicitation for a private educational loan without requiring an application, the creditor shall disclose to the borrower, clearly and conspicuously—

(A) the potential range of rates of interest applicable to the private educational loan;

(B) whether the rate of interest applicable to the private educational loan is fixed or variable;

(C) limitations on interest rate adjustments, both in terms of frequency and amount, or the lack thereof;

(D) requirements for a co-borrower, including any changes in the applicable interest rates without a co-borrower;

(E) potential finance charges, late fees, penalties, and adjustments to principal, based on defaults or late payments of the borrower;

(F) fees or range of fees applicable to the private educational loan;

(G) the term of the private educational loan;

(H) whether interest will accrue while the student to whom the private educational loan relates is enrolled at an institution of higher education;

(I) payment deferral options, including whether the deferment would apply to interest or principal, or both;

(J) general eligibility criteria for the private educational loan;

(K) an example of the total cost of the private educational loan over the life of the loan—

(i) which shall be calculated using the principal amount and the maximum rate of interest actually offered by the creditor; and

(ii) calculated both with and without capitalization of interest, if that is an option for postponing interest payments;

(L) a statement that an institution of higher education may have school-specific educational loan benefits and terms not detailed on the disclosure form;

(M) that the borrower may qualify for Federal financial assistance through a program under title IV of the Higher Education Act of 1965, in lieu of, or in addition to, a loan from a non-Federal source;

(N) the interest rates available with respect to such Federal financial assistance through a program under title IV of the Higher Education Act of 1965;

(O) that the consumer may obtain additional information concerning such Federal financial assistance from their institution of higher education or at the website of the Department of Education;

(P) that, as provided in paragraph (6)—

(i) the borrower shall have up to 30 calendar days following the date on which the application for the private educational loan is approved and the borrower receives the disclosure documents required under this subsection for the loan to accept the terms of the private educational loan and consummate the transaction; and

(ii) except for changes based on adjustments to the index used for a loan, the rates and terms of the loan may not be changed by the creditor during that 30-day period; and

(Q) such other information as the Board shall prescribe, by rule, as necessary or appropriate for consumers to make informed borrowing decisions.

(2) WRITTEN ACKNOWLEDGMENT OF RECEIPT.—In each case in which a disclosure is provided pursuant to paragraph (1) and an application initiated, a creditor shall obtain a written acknowledgment from the consumer that the consumer has read and understood the disclosure.

(3) DISCLOSURES AT THE TIME OF PRIVATE EDUCATIONAL LOAN APPROVAL.—Subject to the rules of the Board, contemporaneously with the approval of a private educational loan application, and before the loan transaction is consummated, the creditor shall disclose to the borrower, clearly and conspicuously—

(A) the applicable rate of interest in effect on the date of approval;

(B) whether the rate of interest applicable to the private educational loan is fixed or variable;

(C) limitations on interest rate adjustments, both in terms of frequency and amount, or the lack thereof;

(D) the initial approved principal amount;

(E) applicable finance charges, late fees, penalties, and adjustments to principal, based upon borrower defaults or late payments;

(F) the maximum term under the private educational loan program;

(G) an estimate of the total amount for repayment, at both the interest rate in effect on the date of approval and at the maximum possible rate of interest actually offered by the creditor, to the extent that such maximum rate may be determined, or if not, a good faith estimate thereof;

(H) any principal and interest payments required while the student to whom the private educational loan relates is enrolled at an institution of higher education and interest which will accrue during such enrollment;

(I) payment deferral options, including whether the deferment would apply to interest or principal, or both;

(J) whether monthly payments are graduated;

(K) that, as provided in paragraph (7)—

(i) the borrower shall have up to 30 calendar days following the date on which the application for the private educational loan is approved and the borrower receives the disclosure documents required under this subsection for the loan to accept the terms of the private educational loan and consummate the transaction; and

(ii) except for changes based on adjustments to the index used for a loan, the rates and terms of the loan may not be changed by the creditor during that 30-day period;

(L) that the borrower may qualify for Federal financial assistance through a program under title IV of the Higher Education Act of 1965, in lieu of, or in addition to, a loan from a non-Federal source;

(M) the interest rates available with respect to such Federal financial assistance through a program under title IV of the Higher Education Act of 1965;

(N) the maximum monthly payment, calculated using the maximum rate of interest actually offered by the creditor, to the extent that such maximum rate may be determined, or if not, a good faith estimate thereof; and

(O) such other information as the Board shall prescribe, by rule, as necessary or appropriate for consumers to make informed borrowing decisions.

(4) PROVISION OF INFORMATION.—Before a creditor may issue any funds with respect to an extension of credit described in paragraph (1) for an amount equal to more than $1,000, the creditor shall notify the relevant institution of higher education, in writing, of the proposed extension of credit and the amount thereof.

(5) DISCLOSURES AT THE TIME OF PRIVATE EDUCATIONAL LOAN CONSUMMATION.—Subject to the regulations prescribed by the Board, contemporaneously with the consummation of a private educational loan, the creditor shall make each of the disclosures described in subparagraphs (A) through (J) and (L) through (O) of paragraph (3) to the borrower.

(6) FORMAT OF DISCLOSURES.—Disclosures required under paragraphs (1), (3), and (5) shall appear in a clearly legible, uniform format, subject to section 122(c).

(7) EFFECTIVE PERIOD OF APPROVED RATE OF INTEREST AND LOAN TERMS.—

(A) IN GENERAL.—With respect to a private educational loan, the borrower shall have the right to accept the terms of the loan and consummate the transaction at any time within 30 calendar days following the date on which the application for the private educational loan is approved and the borrower receives the disclosure documents required under this subsection for the loan, and the rates and terms of the loan may not be changed by the creditor during that period, subject to the rules of the Board.

(B) PROHIBITION ON CHANGES.—Except for changes based on adjustments to the index used for a loan, the rates and

terms of the loan may not be changed by the creditor prior to the earlier of—

(i) the date of acceptance of the terms of the loan and consummation of the transaction by the borrower, as described in subparagraph (A); or

(ii) the expiration of the 30-day period referred to in subparagraph (A).

(C) PROHIBITION ON DISBURSEMENT.—No funds may be disbursed with respect to a private educational loan until acceptance of the loan by the borrower under subparagraph (A) and the expiration of the 3-day period under paragraph (7).

(8) RIGHT TO CANCEL.—With respect to a private educational loan, the borrower may cancel the loan, without penalty to the borrower, at any time within 3 business days of the date on which the loan is consummated, subject to the rules of the Board. No funds may be transferred to the borrower during that 3-day period.

(9) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

(A) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the same meaning as in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002).

(B) PRIVATE EDUCATIONAL LENDER.—The term "private educational lender" means any creditor engaged in the business of soliciting, making, or extending private educational loans.

(C) PRIVATE EDUCATIONAL LOAN.—The term "private educational loan"—

(i) means a loan provided by a private educational lender that—

(I) is not made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); and

(II) is issued by a private educational lender expressly for postsecondary educational expenses to a student, or the parent of the student, regardless of whether the loan involves enrollment certification by the educational institution that the student attends, or whether the loan is provided through the educational institution that the subject student attends or directly to the borrower from the lender; and

(ii) does not include an extension of credit under an open end consumer credit plan, a reverse mortgage transaction, a residential mortgage transaction, or any other loan that is secured by real property or a dwelling.

* * * * * * *

§ 130. Civil liability

(a) Except as otherwise provided in this section, any creditor who fails to comply with any requirement imposed under this chapter, including any requirement under section 125, or chapter 4 or 5 of

this title with respect to any person is liable to such person in an amount equal to the sum of—

(1) * * *

* * * * * * *

(3) in the case of any successful action to enforce the foregoing liability or in any action in which a person is determined to have a right of rescission under section 125 *or section 128(e)(8)*, the costs of the action, together with a reasonable attorney's fee as determined by the court; and

* * * * * * *

In determining the amount of award in any class action, the court shall consider, among other relevant factors, the amount of any actual damages awarded, the frequency and persistence of failures of compliance by the creditor, the resources of the creditor, the number of persons adversely affected, and the extent to which the creditor's failure of compliance was intentional. In connection with the disclosures referred to in subsection (a) and (b) of section 127, a creditor shall have a liability determined under paragraph (2) only for failing to comply with the requirements of section 125, section 127(a), or of paragraph (4), (5), (6), (7), (8), (9), or (10) of section 127(b) or for failing to comply with disclosure requirements under State law for any term or item which the Board has determined to be substantially the same in meaning under section 111(a)(2) as any of the terms or items referred to in section 127(a) or any of those paragraphs of section 127(b). In connection with the disclosures referred to in subsection (c) or (d) of section 127, a card issuer shall have a liability under this section only to a cardholder who pays a fee described in section 127(c)(1)(A)(ii)(I) or section 127(c)(4)(A)(i) or who uses the credit card or charge card. In connection with the disclosures referred to in section 128, a creditor shall have a liability determined under paragraph (2) only for failing to comply with the requirements of section ❚125 or❚ *125,* of paragraph (2) (insofar as it requires a disclosure of the "amount financed"), (3), (4), (5), (6), or (9) of section 128(a), *or of section 128(e),* or for failing to comply with disclosure requirements under State law for any term which the Board has determined to be substantially the same in meaning under section 111(a)(2) as any of the terms referred to in any of those paragraphs of section 128(a). With respect to any failure to make disclosures required under this chapter or chapter 4 or 5 of this title, liability shall be imposed only upon the creditor required to make disclosure, except as provided in section 131.

* * * * * * *

(e) Any action under this section may be brought in any United States district court, or in any other court of competent juridisdiction, within one year from the date of the occurrence of the violation *or, in the case of a violation involving a private educational loan, 1 year from the date on which the first regular payment of principal is due under the loan*. This subsection does not bar a person from asserting a violation of this title in an action to collect the debt which was brought more than one year from the date of the occurrence of the violation as a matter of defense by recoupment or set-off in such action, except as otherwise provided

by State law. An action to enforce a violation of section 129 may also be brought by the appropriate State attorney general in any appropriate United States district court, or any other court of competent jurisdiction, not later than 3 years after the date on which the violation occurs. The State attorney general shall provide prior written notice of any such civil action to the Federal agency responsible for enforcement under section 108 and shall provide the agency with a copy of the complaint. If prior notice is not feasible, the State attorney general shall provide notice to such agency immediately upon instituting the action. The Federal agency may—

(1) * * *

* * * * * * *

§ 140. Preventing unfair and deceptive private educational lending practices and eliminating conflicts of interest

(a) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) COVERED EDUCATIONAL INSTITUTION.—The term "covered educational institution"—

(A) means any educational institution that offers a post-secondary educational degree, certificate, or program of study (including any institution of higher education); and

(B) includes an agent or employee of the educational institution.

(2) GIFT.—The term "gift"—

(A) means any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a de minimis amount, including 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;

(B) does not include—

(i) standard informational material related to a loan or financial literacy (such as a brochure);

(ii) food, refreshments, training, or informational material furnished to an employee or agent of a covered educational institution, as an integral part of a training session that is designed to improve the service of the private educational lender to the covered educational institution, if such training contributes to the professional development of the employee or agent of the covered educational institution; or

(iii) favorable terms, conditions, and borrower benefits on an educational loan provided to a student employed by the covered educational institution if such terms, conditions, or benefits are comparable to those provided to all students of the institution; and

(C) includes a gift to a family member of an officer, employee, or agent of a covered institution, or a gift to any other individual based on that individual's relationship with 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) INSTITUTION OF HIGHER EDUCATION.—the term "institution of higher education" has the same meaning as in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002).

(4) POSTSECONDARY EDUCATIONAL EXPENSE.—The term "postsecondary educational expenses" means any of the expenses that are included as part of the cost of attendance of a student, as defined under section 472 of the Higher Education Act of 1965 (20 U.S.C. 1087ll).

(5) PRIVATE EDUCATIONAL LENDER.—The term "private educational lender" means a creditor which solicits, makes, or extends private educational loans.

(6) PRIVATE EDUCATIONAL LOAN.—The term "private educational loan"—

(A) means a loan provided by a private educational lender that—

(i) is not made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); and

(ii) is issued by a private educational lender expressly for postsecondary educational expenses to a student, or the parent of the student, regardless of whether the loan involves enrollment certification by the educational institution that the student attends, or whether the loan is provided through the educational institution that the subject student attends or directly to the borrower from the lender; and

(B) does not include an extension of credit under an open end consumer credit plan, a residential mortgage transaction, or any other loan that is secured by real property or a dwelling.

(7) REVENUE SHARING.—the term "revenue sharing" means an arrangement between a covered educational institution and a private educational lender under which—

(A) a private educational lender provides or issues private educational loans to students attending the covered educational institution or to the parents of such students;

(B) the covered educational institution recommends to students or others the private educational lender or the private educational loans of the private educational lender; and

(C) the private educational lender pays a fee or provides other material benefits, including profit or revenue sharing, to the covered educational institution or to the officers, employees, or agents of the covered educational institution in connection with the private educational loans provided to students attending the covered educational institution or a borrower acting on behalf of a student.

(b) PROHIBITION ON CERTAIN GIFTS AND ARRANGEMENTS.—A private educational lender, including any officer or employee thereof, may not, directly or indirectly—

(1) offer or provide any gift to a covered educational institution or a covered educational institution employee, nor may

such covered educational institution, officer, or employee receive any such gift, in exchange for any advantage or consideration provided to such private educational lender related to its private educational loan activities; or

(2) engage in revenue sharing with a covered educational institution.

(c) PROHIBITION ON CO-BRANDING.—A private educational lender may not use the name, emblem, mascot, or logo of the covered educational institution, or other words, pictures, or symbols readily identified with the covered educational institution, in the marketing of private educational loans in any way that implies that the covered educational institution endorses the private educational loans offered by the lender.

(d) BAN ON PARTICIPATION ON ADVISORY COUNCILS.—

(1) IN GENERAL.—An officer, employee, or agent who is employed in the financial aid office of a covered institution, or who otherwise has responsibilities with respect to private educational loans, shall not serve on or otherwise participate with advisory councils of private educational lenders or affiliates of such lenders.

(2) RULES OF CONSTRUCTION.—No provision of this subsection shall be construed as—

(A) prohibiting private educational lenders from seeking advice from covered institutions or groups of covered institutions (including through telephonic or electronic means, or a meeting) in order to improve products and services for borrowers, to the extent that no gifts or compensation (including for transportation, lodging, or related expenses) are provided by private educational lenders in connection with seeking this advice from such institutions; or

(B) prohibiting an employee, officer, or agent of a covered institution from serving on the board of directors of a private educational lender, if required by State law.

(e) PROHIBITION ON PREPAYMENT OR REPAYMENT FEES OR PENALTY.—It shall be unlawful for any private educational lender to impose a fee or penalty on a borrower, directly or indirectly, for early repayment or prepayment, of any private educational loan.

* * * * * * *

COMMUNITY REINVESTMENT ACT OF 1977

* * * * * * *

TITLE VIII—COMMUNITY REINVESTMENT

* * * * * * *

SEC. 804. (a) * * *

* * * * * * *

(d) LOW-COST EDUCATIONAL LOANS.—In assessing and taking into account, under subsection (a), the record of a financial institution, the appropriate Federal financial supervisory agency shall consider, as a factor, low-cost educational loans provided by the financial institution to low-income borrowers.

* * * * * * *

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December 4, 2007

The Honorable George Miller, Chairman
Committee on Education and Labor
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

I am writing concerning H.R. 4137, the College Opportunity and Affordability Act of 2007. This bill was introduced on November 9, 2007, and was referred to the Committee on Education and Labor, and in addition, to this Committee, among others. The bill has been ordered reported by the Education and Labor Committee.

The bill was referred to this Committee primarily because of the provisions in title X regarding private student loan transparency. However, because of the cooperation between our two committees, there is an agreement with regard to these provisions. Accordingly, in order to expedite floor consideration, I agree to forego further consideration by the Committee on Financial Services. I do so with the understanding that this decision will not prejudice this Committee with respect to its jurisdictional prerogatives on this or similar legislation. I request your support for the appointment of conferees from this Committee should this bill be the subject of a House-Senate conference.

Please place this letter in the committee report accompanying the bill. I look forward to the bill's consideration and hope that it will command the broadest possible support.

Barney Frank
Chairman

Cc: The Honorable Spencer Bachus

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December 5, 2007

The Honorable Barney Frank
Chairman
Committee on Financial Services
U.S. House of Representatives
2129 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman:

Thank you for your recent letter regarding the consideration of H.R. 4137, the College Opportunity and Affordability Act of 2007.

I appreciate your willingness to allow this bill to move forward expeditiously and recognize that this procedure in no way diminishes or alters the jurisdictional interest of the Committee on Financial Services.

Should this bill or similar legislation be the subject of a House-Senate conference, I will support your request for the appointment of conferees from the Committee on Financial Services. The exchange of letters between our two committees will be included in the Committee report on H.R. 4137 and will be made part of the record.

Thank you for your cooperation.

Sincerely,

GEORGE MILLER
Chairman

cc: The Honorable Howard P. "Buck" McKeon

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December 18, 2007

The Honorable George Miller
Chairman, Committee on Education and Labor
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Miller:

This is to advise you that, as a result of your agreeing to make requested revisions to provisions in H.R. 4137, the College Opportunity and Affordability Act of 2007, that fall within the rule X jurisdiction of the Committee on the Judiciary, we are able to waive any sequential referral of the bill to our committee in order that the bill may proceed without delay to the House floor for consideration. Specifically, you agreed to revisions in what became section 494, regarding school policies against unauthorized copying and distribution of copyrighted materials, and in what became section 766, establishing an advisory commission to facilitate distribution of materials to students with disabilities while appropriately protecting copyright owners.

The Judiciary Committee takes this action with the understanding that by foregoing consideration of H.R. 4137 at this time, we do not waive any jurisdiction over subject matter contained in this or similar legislation. We also reserve the right to seek appointment of an appropriate number of conferees to any House-Senate conference involving this important legislation, and request your support if such a request is made.

I would appreciate your including this letter in the Congressional Record during consideration of the bill on the House floor. Thank you for your attention to this request, and for the cooperative relationship between our two committees.

Sincerely,

John Conyers, Jr.
Chairman

cc: The Honorable Lamar Smith
The Honorable Howard P. McKeon
The Honorable John V. Sullivan, Parliamentarian

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December 18, 2007

The Honorable John Conyers, Jr.
Chairman
Committee on the Judiciary
2138 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Conyers:

Thank you for your recent letter regarding the consideration of H.R. 4137, the College Opportunity and Affordability Act of 2007.

I appreciate your willingness to allow this bill to move forward expeditiously and recognize that this procedure in no way diminishes or alters the jurisdictional interest of the Committee on the Judiciary.

Should this bill or similar legislation be the subject of a House-Senate conference, I will support your request for the appointment of conferees from the Committee on the Judiciary. The exchange of letters between our two committees will be included in the Committee report on H.R. 4137 and will be made part of the record.

Thank you for your cooperation.

Sincerely,

GEORGE MILLER
Chairman

cc: The Honorable Nancy Pelosi, Speaker
The Honorable Howard P. "Buck" McKeon, Ranking Member
The Honorable John Sullivan, Parliamentarian

BART GORDON, TENNESSEE
CHAIRMAN

RALPH M. HALL, TEXAS
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December 18, 2007

The Honorable George Miller
Chairman
Committee on Education and Labor
U.S. House of Representatives
2181 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Miller:

I write to you regarding H.R. 4137, the "College Opportunity and Affordability Act of 2007." This legislation addresses the soaring cost of college and other obstacles that prevent qualified students from attending college, and I fully support the passage of this important legislation. I am particularly excited about the inclusion of the "Minority Serving Institution Digital and Wireless Technology Opportunity Program," which the Committee on Science and Technology previously moved through the House as the freestanding bill H.R. 694.

H.R. 4137 was referred upon introduction to the Committee on Science and Technology. I recognize and appreciate your desire to bring this legislation before the House in an expeditious manner and, accordingly, I will waive further consideration of this bill by the Science and Technology Committee. However, I agree to waive further consideration of this bill with the mutual understanding that my decision does not waive, reduce, or otherwise affect the jurisdiction of the Committee on Science and Technology over H.R. 4137.

Further, I request your support for the appointment of Science and Technology Committee conferees during any House-Senate conference convened on this legislation. I also ask that a copy of this letter and your response acknowledging the Science and Technology's jurisdictional interest in H.R. 4137 be placed in the Committee Report on H.R. 4137 and the *Congressional Record*.

I look forward to working with you as we prepare to pass this important legislation.

Sincerely,

Bart Gordon
Chairman

cc: The Honorable Nancy Pelosi, Speaker
The Honorable Howard P. "Buck" McKeon, Ranking Member
The Honorable Ralph M. Hall, Ranking Member, Committee on Science and Technology
The Honorable John Sullivan, Parliamentarian

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December 18, 2007

The Honorable Bart Gordon
Chairman
Committee on Science and Technology
2320 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Gordon:

Thank you for your recent letter regarding the consideration of H.R. 4137, the College Opportunity and Affordability Act of 2007.

I appreciate your willingness to allow this bill to move forward expeditiously and recognize that this procedure in no way diminishes or alters the jurisdictional interest of the Committee on Science and Technology.

Should this bill or similar legislation be the subject of a House-Senate conference, I will support your request for the appointment of conferees from the Committee on Science and Technology. The exchange of letters between our two committees will be included in the Committee report on H.R. 4137 and will be made part of the record.

Thank you for your cooperation.

Sincerely,

George Miller

GEORGE MILLER
Chairman

cc: The Honorable Nancy Pelosi, Speaker
The Honorable Howard P. "Buck" McKeon, Ranking Member
The Honorable John Sullivan, Parliamentarian

XVIII. Additional Views

ADDITIONAL VIEWS

Since its inception four decades ago, the Higher Education Act has provided hundreds of billions of dollars to students, as well as significant resources to colleges and universities themselves. The Higher Education Act is responsible for helping generations of American students successfully complete postsecondary studies and reap the benefits that come with higher education. The Act is unique in its focus on providing students with a portable funding source that they may use at the institution of their choosing, modeling the success that can be achieved through authentic educational choice. Yet despite this clear success, Committee Republicans believe the Higher Education Act has failed to achieve a fundamental goal: lowering the cost of college so that every American can achieve the dream of higher education. The Department of Education currently makes available $82 billion in student aid for higher education. This figure does not include student aid disbursed by other Federal agencies nor does the figure include the billions "spent" by the Federal government in the form of tax credits for higher education expenses. For every dollar increase in Federal student aid, it seems there is a larger dollar increase in college tuition. The result is an unending spiral of financial confusion that leaves far too many American students unable to pursue a college education.

This reauthorization provides a vital opportunity to reassess the effectiveness of the Federal investment in higher education, realign our priorities to ensure that the focus of the Higher Education Act is students, and redefine what it means to hold colleges and universities accountable. Policymakers have an opportunity—and an obligation—to enact meaningful reforms on behalf of American students, families, and taxpayers.

Historically speaking, and perhaps even more so today, Federal involvement in higher education is primarily viewed in financial terms. Committee Republicans believe this emphasis on funding has both positive and negative implications for students and taxpayers. On the positive side, Committee Republicans strongly believe that what has made the Higher Education Act so effective is that it targets funds directly to students. The Higher Education Act is a shining example of how educational freedom encourages competition and serves students by allowing them to make decisions about what educational opportunity will best meet their needs. On the negative side, however, Committee Republicans believe the vast Federal investment has allowed America's higher education system to become complacent in its efforts to expand service, increase efficiency, hold down costs, and increase quality. Some would even argue that the infusion of Federal resources has stifled the type of

innovation and competition that would exist in a more demand-driven system that was not so dependent on third-party payments.

Funding for higher education has indeed gone up dramatically in recent years. According to information from the College Board in its 2007 Trends in Student Aid report, federally-supported student aid programs have increased by 128 percent in the last decade. This includes increases in Pell Grants, Supplemental Educational Opportunity Grants, Federal Work Study, support for veterans and other military personnel, and student loans.

Committee Republicans are proud of the financial commitment Congress has demonstrated in recent years toward higher education. This support will continue. However, Committee Republicans are concerned that the value of this investment may be diminished by a lack of market discipline, meaningful competition, and consumer awareness. As such, Committee Republicans believe that while the financial focus of the Higher Education Act is important to its success, there is also a need to refocus on the principles of access, accountability, affordability, and quality. Committee Republicans believe that, for the most part, H.R. 4137 achieves those principles. However, the principles could have been further enhanced through the acceptance of several key Republican amendments.

Student speech and association rights

Committee Republicans believe it is critical that students and members of the campus community are able to exercise their right to speak freely and express their views in organizations and events on campus. Therefore, Representative Mark Souder (R–IN) offered an amendment to adjust the existing Sense of Congress on Student Speech and Association Rights to ensure that institutions of higher education are protecting these rights for students. These rights include that students should be judged solely on their knowledge and reasoned answers; that student funds should be used to present diverse views at campus events, lectures and programs; that institutions should present students with an array of material in the instructional setting that includes dissenting views; and that students should not be unfairly punished because of their ideology or political beliefs.

Beginning in the 1980s and 1990s, institutions began enacting harassment policies or "free speech codes," institutional policies or regulations designed to prevent speech and expression that, in an off-campus environment, would otherwise be constitutionally protected. Courts have held that several of these policies and codes are too broad and vague to be constitutional.[1] Committee Republicans encourage institutions to re-examine their speech codes to ensure compliance with the law.

Further, Committee Republicans recognize that a good education involves free academic inquiry and thought in all fields of study. There is evidence to suggest, however, that both faculty and students have been harassed or discriminated against because of the

[1] See, e.g., *UWM Post, Inc.* v. *Bd of Regents of the Univ. of Wis. Sys.,* 774 F. Supp. 1163 (E.D. Wis. 1991); *Bair* v. *Shippensburg Univ.,* 280 F. Supp. 2d 357 (M.D. Pa. 2003); *Doe* v. *Univ. of Mich.,* 721 F. Supp. 852 (E.D. Mich. 1989); *Dambrot* v. *Central Mich. Univ.,* 55 F.3d 1177 (6th Cir. 1995).

expression of their personal or professional judgments, opinions or beliefs that may be considered political, ideological or religious. Sometimes these opinions or beliefs may, in fact, be well-researched and intellectually informed, but because they are deemed controversial, the faculty or students who hold these beliefs may be harassed or limited in some way from academic or professional advancement. However, rather than put forward alternatives to our language, Committee Democrats simply chose to vote down this amendment by a 19–23 predominately party line vote. Committee Republicans believe that such discrimination discourages the type of intellectual curiosity necessary for a free, democratic society to flourish and we therefore encourage universities to promote intellectual pluralism within the context of the university's institutional mission. This amendment was simply building on a Sense of Congress included under current law and would have demonstrated the Committee's commitment to ensuring the free flow exchange of ideas on college campuses across the country.

Performance pay

One of the most important goals of the No Child Left Behind Act is to ensure that all public school students are taught by teachers with subject matter knowledge and teaching skills capable of effectively driving student learning gains in schools, particularly schools with high concentrations of low-income students.

Committee Republicans are concerned that the manner in which public school teachers are generally compensated (paying teachers according to a structured scale on the basis of their level of education and number of years in the classroom, even though neither of these factors is necessarily associated with better teaching or higher student achievement) may work against the goals in No Child Left Behind.

There is growing recognition that alternative compensation systems that reward teachers for demonstrated growth in student achievement can be a catalyst for school improvement and an important recruitment tool for school districts seeking talented prospective teachers. A study produced earlier this year by researchers at the University of Florida demonstrated that student learning increased when teachers were provided financial incentives.

Representative Tom Price (R–GA) introduced an amendment that would have permitted grantees in the title II Partnership Grants program to develop performance pay systems for teachers. This authority, which is similar to language already in current law, would encourage greater experimentation with performance pay to build on efforts already underway across the country to capitalize on this promising teacher quality improvement strategy. Unfortunately, the Committee rejected this amendment by a vote of 16 to 26.

Committee Republicans remain confident that this amendment permitting the development of performance pay systems would have allowed partnerships to implement reforms to teacher compensation systems that would result in improved learning environments and increased academic achievement for our nation's neediest students.

Adjunct Teacher Corps

School districts around the country are facing a shortage of qualified teachers in the fields of math, science, and critical foreign languages. A recent report cited by the U.S. Department of Education found that approximately one-third of middle and high school math and science teachers did not have a major or minor in their subject area or related discipline, with well over half of teachers in the physical sciences lacking such a degree. This shortage in qualified teachers in these high-need subjects has a profound impact on our country's ability to produce graduates with the skills in these high-need fields necessary to maintain our competitiveness in the global economy.

Representative Cathy McMorris Rodgers (R–WA) offered an amendment to address this issue by establishing an Adjunct Teacher Corps. This program would provide grants to local educational agencies and public or private educational organizations to recruit well-qualified individuals to serve as adjunct teachers in secondary school math, science, and critical foreign language courses. These individuals might be mid-career professionals with unique expertise and experiences that could fill gaping holes in schools' teaching forces. The amendment would require school districts to provide adjunct teachers pre-service training and on-going mentoring by highly qualified teachers to ensure that the adjunct teachers have both the subject matter knowledge and pedagogical skills to be effective classroom instructors.

Committee Republicans continue to believe that school districts must be granted more flexibility to make up for the shortfall in teachers prepared through the traditional pipeline with expertise in high-need fields. The Adjunct Teacher Corps would provide this flexibility by allowing schools to capitalize on the unique subject matter knowledge and experiences of individuals within the math, science, and critical foreign languages fields. Despite the talent that these individuals would bring to our nation's schools through the Adjunct Teacher Corps, this amendment was rejected 19–25 in Committee. Committee Republicans look forward to working with Committee Democrats on this amendment before the bill is brought up on the Floor.

Student Loan Auctions

Committee Republicans remain concerned about the PLUS loan auction proposal included in The College Cost Reduction and Access Act, H.R. 2669. Under this proposal, the Department of Education is responsible for starting and managing 50 statewide auctions every two years. Committee Republicans have serious concerns about the Department of Education's ability to manage this new complicated scheme. Further, Committee Republicans also have concerns about how the PLUS auction will complicate lending for parents. A parent with several children attending colleges in different States may be forced to take out PLUS loans from two or three different lenders, depending upon the lender that won the bid in each State. Such a process does nothing to simplify the loan process for families and in fact, has the potential to lead to greater confusion for students, parents and institutions. The College Opportunity and Affordability Act of 2007 includes an evaluation of

the auction proposal. While Committee Republicans support an evaluation, we believe that the simple amendment offered by Representative Mark Souder (R–IN) should have been adopted. Rep. Souder's amendment did not abolish the auction. In fact, it did not even set a test through which the Secretary would be required to end the auction. The amendment simply gave the Secretary the authority to discontinue the auction at any point if the evaluation determined that the auction was not in the best interests of taxpayers or students. This amendment was eventually withdrawn with the understanding that we could work out a compromise prior to the bill being brought up on the Floor. Committee Republicans look forward to working with Committee Democrats on this amendment.

Borrower choice in student loans

Since the creation of the Direct Loan program in 1992, the reauthorizations of the Higher Education Act have put forward proposals designed to level the playing field between the Federal Family Education Loan (FFEL) program and the Direct Loan (DL) program. The competition between the two programs has significantly increased the quality of service in both programs. Currently, approximately 80 percent of loans are originated in the FFEL program and 20 percent in the DL program.

In the FFEL program, students are permitted to select their own lender. In fact, this bill includes several provisions that improve borrower choice by requiring that every institution operating a preferred lender list recommend at least three unaffiliated lenders on the list. In addition, the bill builds on provisions included in the bipartisan H.R. 890, The Student Loan Sunshine Act, and requires that institutions conspicuously post a notice to students that they are permitted to select any lender, even if the lender does not appear on the preferred lender list.

At the same time that H.R. 4137 reinforces the policy that institutions must provide student choice, however, the bill limits the choice of students who attend institutions participating in the Direct Loan program. Committee Republicans supported the amendment by Representative Ric Keller (R-FL) that would have permitted borrower choice at Direct Loan schools.

The theme of the investigation by New York Attorney General Andrew Cuomo and the investigations by the Committee has been that students should have the ultimate choice in choosing their lender. However, students attending institutions participating in the Direct Loan program have no choice in their lender. In fact, the lender is automatically selected for them by their institution. In the FFEL program, investigations occurred when institutions tried to find the best deals for their students and offered recommendations. In the Direct Loan program, institutions mandate the Federal government as the lender even though students could get better loan tenns from a FFEL lender. This amendment would simply have ensured that all students are provided free choice when it comes to their student loan lender regardless of the institution they attend. However, instead, Committee Democrats chose to vote down this amendment by a vote of 13–28, thereby supporting the idea that not all borrowers deserve a choice in their lender.

Accountability in international education

International education programs at the postsecondary level play a vital role in building and maintaining the nation's ability to supply expertise in critical foreign languages, area studies and international business arenas. In order to continue the nation's established leadership role in international affairs, the opportunities for students to become knowledgeable in international issues and critical foreign languages has become increasingly important. America's interests and national security are inextricably tied to our knowledge and understanding of the rest of the world.

Committee Republicans believe that when selecting grantees, the Secretary should take into account the degree to which activities of centers, programs, and fellowships at institutions of higher education advance national interests, generate and disseminate information, and foster debate on American foreign policy from diverse intellectual perspectives. In addition, Committee Republicans believe that the international education programs funded by the Federal government and operated at our country's institutions should be meeting the national security and intelligence needs of our country. For that reason, Representative Peter Hoekstra (R–MI) introduced an amendment that built on a number of refolins of the title VI programs included in H.R 609, The College Access and Opportunity Act of 2006, from last Congress and the Senate reauthorization bill. The amendment required the Secretary to consult with various federal agencies, including the Departments of Commerce, Defense, and State and the National Security agency and the office of the Director of National Intelligence, in determining the national need for expertise in foreign languages and world regions. Congress should be enacting policies that tailor the laws to the country's needs. While this amendment was withdrawn, Committee Republicans look forward to working with Committee Democrats to supplement the amendment offered by Representative Rush Holt (D–NJ) to create a new Assistant Secretary position for international education with some of these important ideas and principles to ensure accountability in the title VI programs.

Over the past several Congresses, the Committee has heard testimony from a number of different experts and government officials that have pleaded for ways to fulfill important shortages. These officials need graduates to have expertise in critical foreign languages and in different regions of the world. This provision in the amendment would have provided the Secretary with the tools to gain a better understanding of the country's needs, award grant funds based on that new knowledge, and determine where the graduates of these programs are going upon graduation.

Committee Republicans also believe that international education programs need to develop an environment that fosters debate and offers diverse perspectives to our nation's students. In order to meet that goal, the amendment required the Secretary to collect information on how the program will reflect a wide range of viewpoints. Committee Republicans have heard one anecdote after another about how students with certain viewpoints are stifled in the classroom and through their coursework. For this reason, Committee Republicans also believe it is vital for the Secretary to gather information about how the grantees will address disputes re-

lated to the offering of diverse perspectives. Students with opinions that may be different from other students or their professors must know that there is a procedure in place to address concerns of discrimination.

Finally, Committee Republicans also believe that the bill should clearly require that recruiters from the military and Federal agencies be given the same access as is granted to prospective employers who wish to recruit students for non-government related employment opportunities. Committee Republicans believe students who benefit from the programs funded under title VI have instrumental and unique skills in critical foreign languages, world regions and international affairs that would benefit the military and agencies of the Federal government and those employers should be peiiiiitted to recruit students on campus for this purpose.

International advisory board

In a June 2005 report from the Congressional Research Service, there was significant discussion regarding the establishment of a "multi-agency board, endowment, foundation or other independent Federal entity to coordinate and/or administer all Federal programs dealing with foreign language and international studies." The report further suggested that one function of such board or agency might be "relatively long-range planning to attempt to meet both the Federal government's and the Nation's needs for foreign language and area studies specialists in a coordinated manner."

During a June 2003 hearing on title VI, Dr. Stanley Kurtz, a Research Fellow with the Hoover Institution, argued that a board, similar to those that govern the Fulbright and National Security Education Programs, was needed to help enhance the programs under title VI. Dr. Kurtz proposed that a board should be inclusive of all points of view and should therefore "be able to hold annual [public] hearings on title VI activities, including the outreach activities of the National Resource Centers."

In a book entitled, "Language and National Security in the 21st Century," published by the National Foreign Language Center, the authors recommend an "establishment of mechanisms to monitor national needs and capacity in language and to assess how those needs and that capacity are addressed by Federal, State, and local programs, including title VI." In response to all of these sources, Representative Peter Hoekstra (R–MI) introduced an amendment, rejected along party lines by a voice vote, that would create an International Advisory Board. The Board authorized by the amendment would be responsible for making specific recommendations that would assist the Secretary and the Congress to improve the programs under title VI to better reflect the national needs related to homeland security, international education, and international affairs, including the assessment of the national needs and training provided by the institutions of higher education that receive a grant for expert and non-expert level foreign language training.

Committee Republicans believe that the programs authorized under title VI of the Higher Education Act are crucially important because they ensure the expansion of the international knowledge base of the nation's citizenry and promote the growth and development in national need areas related to addressing national security

interests and international commerce. The International Advisory Board, rather than a new Assistant Secretary position at the Department of Education, would be the best entity to provide advice, counsel and recommendations to the Secretary and the Congress on international education issues for higher education in order to improve international education program. Rather than go through a political appointment process and be subject to the political winds of the time, the International Advisory Board would be appointed by the House of Representatives, the Senate, and the Secretary, who must select two representatives from agencies with diplomacy, national security, international commerce or other international activity responsibilities. These agencies may include, but not be limited to, the Department of Defense, the Department of Homeland Security, the Department of State, the Department of Commerce, and the Central Intelligence Agency.

The International Advisory Board would be authorized to hold public hearings to review the recommendations provided by the Board to the Secretary and the Congress. Committee Republicans believe the creation of the International Advisory Board would be an important first step to engage the independent board with the grantees, communities and constituencies who are most interested in the objectives and outcomes of the programs authorized under title VI. Committee Republicans also believe strongly that the creation of such a Board would not provide them with the authority to mandate, direct, or control an institution of higher education's specific instructional content, curriculum, or program of instruction.

New programs & regulations

Committee Republicans remain concerned about the overall expansion of the federal government included in H.R. 4137. The bill creates approximately 20 new programs and requires many more new reporting requirements. These facts are in direct conflict to the streamlining and simplification effort promoted by the Committee Republicans at the beginning of this reauthorization process.

At that time, the Committee believed the first step in developing meaningful reforms was not simply to impose new regulations on top of the existing framework, but to identify ways to actually reduce red tape and bureaucracy for students, financial aid personnel, and colleges and universities. Known as the FED UP project, this bipartisan initiative was the first step toward developing a more efficient and effective Federal student aid system.

In an effort to identify outdated, redundant, or overly burdensome provisions in title IV of the Higher Education Act and its regulations, the "Upping the Effectiveness of Our Federal Student Aid Programs," or "FED UP," was developed by then-21st Century Competitiveness Subcommittee Chairman Howard P. "Buck" McKeon (R–CA) and the late Representative Patsy Mink (D–HI) in 2001. The project, which was launched in May 2001, solicited suggestions from the higher education community as to what provisions in the Higher Education Act and which regulations should be changed or eliminated and why. More than 3,000 responses were received and logged from loan professionals, financial aid officers, students, higher education associations and concerned citizens. The

Department of Education completed a negotiated rulemaking session based on the proposals submitted through FED UP and released new regulations.

H.R. 609 incorporated the suggestions from FED UP and specifically addressed statutory changes that are necessary to relieve some of the administrative burdens on students, financial aid professionals, student loan providers and institutions of higher education, while providing clarification of other provisions currently in law. Committee Republicans fear that H.R. 4137 is heading in the opposite direction by requiring new reporting requirements for institutions, the result of which will be thousands of reports arriving every year at the doors of the Department of Education. Some of the reporting provisions in the bill require that the Secretary actually publicize the information required in the reports on the Department's web site. Other provisions do not specify what actions need to be taken. Committee Republicans remain deeply concerned about additional burdens imposed on students, institutions and other partners in the field. Committee Republicans look forward to working with Chairmen Miller and Hinojosa, and other Committee Democrats, in ensuring that the reporting requirements are not burdensome or duplicative and remain useful.

Committee Republicans also look forward to working with Committee Democrats to further limit the new initiatives and programs included in the bill. Creating new programs on top of existing programs generally creates duplication and waste. The programs already funded under the Higher Education Act cover a wide range of services and activities designed to meet the needs of students and, before creating and funding a new program, the Committee should carefully examine existing programs in order to ensure against creating more bureaucracy when the existing bureaucracy is already in place to do the job. Creating new authorizations simply burdens the appropriators to find funding for every program instead of focusing resources on the programs that are truly effective in helping our nation's students obtain a postsecondary education.

HOWARD P. "BUCK" MCKEON.
PETER HOEKSTRA.
MARK E. SOUDER.
RIC KELLER.
JOE WILSON.
JOHN KLINE.
CATHY MCMORRIS RODGERS.
KENNY MARCHANT.
CHARLES W. BOUSTANY, Jr.
DAVID DAVIS (TN).
DEAN HELLER.

ADDITIONAL VIEWS ON THE ADVISORY COMMITTEE FOR STUDENT FINANCIAL ASSISTANCE

As the importance of a postsecondary education grows along with the need for a greater federal investment in student financial assistance, it is essential that Congress maintain a mechanism for on-going independent analysis and advice on the implementation of the student aid programs. Since its establishment in the 1986 Amendments to the Higher Education Act, the Advisory Committee on Student Financial Assistance has been that mechanism.

What has made the Advisory Committee an invaluable source of technical expertise and advice to the Congress and the Secretary of Education has been its independence—both from the administration and from outside interest groups. The Advisory Committee's agenda is set in statute by the Congress. The congressional mandate requires the Advisory Committee to conduct objective, nonpartisan, and independent analyses on important aspects of the student assistance programs under Title IV of the HEA. in addition, Congress has and may call upon the Committee to conduct special evaluations, studies, and analyses that address the basic structure and effectiveness of the individual programs under Title IV.

The Advisory Committee provides an open, public process that incorporates input from a broad range of stakeholders for monitoring and making recommendations for improvements to the student aid programs. The Advisory Committee membership includes a cross-section of stakeholders in the student aid community with members appointed by the Congress and the Secretary of Education representing institutions of higher education, secondary schools, financial institutions, students, and parents. More than half of the members must be appointed on the basis of technical expertise and professional standing in the field of higher education and student aid administration. All Advisory Committee hearings and reports are a matter of public record.

To fulfill its congressional responsibilities over the past 20 years, the Advisory Committee has held more than 100 formal meetings, hearings, and symposia. In addition, the Committee has developed background papers on a myriad of issues pertaining to student financial assistance. The recent work of the Advisory Committee, including its three reports, Access Denied: Restoring the Nation's Commitment to Equal Educational Opportunity, Empty Promises: The Myth of College Access in America, and Mortgaging Our Future: How Financial Barriers to College Undercut America's Global Competitiveness has demonstrated to policy-makers, educators, and members of the higher education community that federal policy must be mindful of the barriers to access and persistence facing low- and moderate-income students. As a result of these reports, numerous efforts to encourage increases in need-based aid for low-

and moderate-income students have occurred at the federal, state, and institutional levels.

These barriers include the complexities of the student aid system. As a result, the Advisory Committee has been an active participant in discussions on ways to streamline and simplify both need analysis and aid application. The Advisory Committee's efforts on this issue have been met with significant success. In the 1990s, its work on financial aid simplification led to the introduction of a free common financial aid form that serves as an application for federal aid and most state and institutional aid. The Advisory Committee also worked toward expanding and implementing two streamlined need analysis formulas that are used for low-income students: the Simplified Needs Test (SNT) and the automatic-zero Expected Family Contribution, or the auto-zero EFC.

Congress charged the Advisory Committee in the fiscal year 2004 Consolidated Appropriations Act with conducting a one-year simplification study to identify ways to streamline the financial aid system and make it easier, more responsive, and fairer for students and families. The central question put forth by Congress was whether a broad and cost-effective simplification initiative could increase the power of student aid to achieve greater access to college, especially for low-income students. In 2005, the Committee submitted to Congress and the Secretary of Education the simplification study's final report, The Student Aid Gauntlet: Making Access to College Simple and Certain. The report recommended a sweeping, but cost effective, simplification initiative, consisting of four national imperatives for improving access that would increase the return on our nation's already sizeable investment in student aid. The recommendations are as follows:

- Create a system of early financial aid information.
- Make federal need analysis transparent, consistent, and fair.
- Expand existing simplification to more students.
- Allow all students to apply for financial aid earlier.
- Make the FAFSA relevant and understandable.
- Create a simpler paper form for low-income students.
- Phase out the full paper form and increase the use of technology.
- Simplify and streamline FAFSA on the Web.
- Simplify the verification process.
- Create a national partnership to make access simple and certain.

Nine of the ten recommendations were included, in whole or in part, in the Deficit Reduction Act of 2005, which was signed into law by the President on February 8, 2006 and the College Cost Reduction and Access Act, signed into law on September 27, 2007. The recommendation not included was to simplify the verification process.

The Advisory Committee's tenth proposal, to create a new national access and persistence partnership, is designed to leverage federal funds in order to encourage states to create public-private collaborations that increase college enrollment and success for low-income students. This recommendation is reflected in the provi-

sions to establish Grants for Access and Persistence (GAP) in H.R. 4137.

As is evident from its recent activities, the Advisory Committee on Student Financial Assistance continues to provide valuable input and advice to Congress. With the enactment of major changes to the student aid programs in the College Cost Reduction and Access Act and in H.R. 4137, the Advisory Committee will continue to play a critical role in ensuring that the student aid programs achieve the goal of access to postsecondary education for low- and middle-income students.

RUBÉN HINOJOSA.

ADDITIONAL VIEW OF THE COLLEGE OPPORTUNITY AND AFFORDABILITY ACT OF 2007 REPORT LANGUAGE

I support the bill and agree with the comments made in the full report. I would like to offer as additional views the following:

Feasibility study on renegotiated student loan interest rates (Sec. 808): This study should include an evaluation of the feasibility of treating student loans like home mortgages, such as allowing students to refinance their loans at any time to take advantage of lower interest rates or to convert to a variable rather than a fixed interest rate and what conversion fees might be appropriate.

Diversity in the Arts grant program (Sec. 705(a)(15)): Programs receiving these funds should seek to promote cultural diversity in the entertainment media industry to work in collaborations with schools and their students. A good example of an organization is the Legacy Media Institute, in Petersburg, Virginia. Legacy Media Institute is a nonprofit organization which seeks to diversify the entertainment media industry. They attain this goal by educating students aspiring to be professionals in the entertainment industry through interactions with leading professionals in the industry and educators.

Secretary's disaster plan (Sec. 863): The disaster relief plan shall include plans to accommodate either man-made or natural disasters.

ROBERT C. "BOBBY" SCOTT.

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