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110TH CONGRESS
1st Session

SENATE

REPORT
110–231

HIGHER EDUCATION AMENDMENTS OF 2007

R E P O R T

OF THE

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

TO ACCOMPANY

S. 1642

NOVEMBER 15, 2007.—Ordered to be printed

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CONTENTS

		Page
I.	Purpose and summary of legislation	1
II.	Background and need for legislation	8
III.	Legislative history and committee action	9
IV.	Explanation of bill and committee views	11
V.	Cost estimate	53
VI.	Application of law to the legislative branch	58
VII.	Regulatory impact statement	58
VIII.	Section-by-section analysis	58
IX.	Changes in existing law	113

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Mr. KENNEDY, from the Committee on Health, Education, Labor, and Pensions, submitted the following

REPORT

[To accompany S. 1642]

The Committee on Health, Education, Labor, and Pensions, to which was referred the bill (S. 1642) to extend the authorization of programs under the Higher Education Act of 1965, and for other purposes, having considered the same, reports favorably thereon with an amendment in the nature of a substitute and recommends that the bill (as amended) do pass.

I. PURPOSE AND SUMMARY OF LEGISLATION

The purpose of S. 1642, the Higher Education Amendments of 2007, is to reauthorize and improve the Federal student financial aid programs and other higher education programs established under the Higher Education Act of 1965. The bill also reauthorizes and amends the Education of the Deaf Act of 1986, the United States Institute of Peace Act, the Tribally Controlled College or University Assistance Act of 1978, and the Navajo Community College Act.

S. 1642 is the product of an extensive bipartisan effort that included over 100 hours of bipartisan meetings and input from the major stakeholders in higher education.

This legislation amends the Higher Education Act of 1965, the Higher Education Amendments Act of 1998, and the Higher Education Amendments of 1992 by making the changes identified below.

Title I—General Provisions

This title makes several conforming changes to the Higher Education Act of 1965, authorizes programs and updates terms and provisions. Both the general definition of an institution of higher education and the definition of an institution for purposes of title

38–894

IV aid are expanded to include those that admit students who are beyond compulsory school age or who are dually or concurrently enrolled in the institution and a secondary school. A Sense of the Senate regarding student free speech is included. This title also replaces the National Advisory Committee on Institutional Quality and Integrity with an Accreditation and Institutional Quality and Integrity Advisory Committee in the Department of Education to assess the process of accreditation and the institutional eligibility and certification of institutions of higher education under title IV. Additional reporting requirements are required under the Drug Abuse Prevention Grant program. The information the Secretary makes available to the public on an annual basis regarding financial aid, college costs, and academic programs is expanded but a Federal database of personally identifiable information on students is prohibited from being developed. The functions of the Performance-Based Organization (PBO) in the Department of Education are amended. Additional reporting requirements are added for covered institutions that enter into educational loan arrangements.

Title II—Teacher Quality Enhancement

The legislation replaces Teacher Quality Enhancement Grants for States and Partnerships with Teacher Quality Partnership Grants to improve student achievement and the quality of the Nation's teaching force by holding higher education institutions accountable for preparing teachers and promoting strategies to recruit and prepare qualified individuals. Under this Title, the Secretary is authorized to award competitive Teacher Quality Partnership Grants to eligible partnerships to carry out a teacher preparation program for bachelor's degree students, a teaching residency program, or both. Teacher preparation programs shall include educational reforms, pre-service clinical experience and interaction, induction programs that provide new teachers with mentoring and support for at least their first 2 years of teaching, support and preparation for early childhood educators, if applicable, and effective mechanisms to recruit qualified individuals to become highly qualified teachers. Teaching residency programs shall consist of prospective teachers working alongside mentor teachers, earning a master's degree and State teacher certification or licensure, and fulfilling eligibility requirements to be considered a highly qualified teacher under the Elementary and Secondary Education Act. Partnership grants are provided under a 1:1 formula and a priority is given to broad-based partnerships that include business and community organizations and to partnerships that will ensure an equitable distribution of grants among urban and rural areas. All institutions that conduct teacher preparation programs and enroll students receiving title IV assistance must report data on their programs to the State in which the institution is located and the general public. States that receive funds under this act must provide State report cards on the quality of teacher preparation programs in their State.

Title III—Institutional Aid

This title reauthorizes programs to support Historically Black Colleges and Universities, Alaska Native and Native Hawaiian-

Serving Institutions, Tribal Colleges and Universities, and professional or graduate programs for minority students. S. 1642 expands allowable uses of grant funds for minority-serving institutions to include acquiring property adjacent to the institution, education or counseling services designed to improve financial literacy of students or their parents, and developing or improving distance learning or internet facilities and capabilities. It is established that the Secretary may reserve 30 percent of a fiscal year's appropriated funds to award at least $1 million for maintenance and renovation at institutions under this title, with a priority given to a tribally controlled college or university that has not received an award under section 316 in the past. Remaining appropriated funds would be used to award grants to institutions on a formula basis, with a priority to institutions with a high population of Indian students. Seven new minority-serving institutions that have established qualified graduate programs since the Higher Education Amendments of 1998 have been added to the list of eligible professional and graduate programs. A new program for Native American-serving, nontribal institutions is established to improve and expand their capacity to serve Native American students.

Title IV—Student Assistance

Part A—Grants to students in attendance at institutions of higher education

Pell grants

The legislation establishes the maximum authorized Pell award at $5,400 for academic year 2008–09 and increases the authorization to $6,300 over the next 4 years. The minimum Pell grant award is changed from $400 to 10 percent of the maximum authorized for a given year. The "tuition sensitivity" provision, which can negatively affect award amounts for students attending low-cost institutions such as community colleges, has been eliminated. The legislation requires the Secretary to allow students who are enrolled at least on a half-time basis in a 2- or 4-year program of instruction and for more than 1 academic year to receive up to two Pell grants in 1 award year. After many years of having no time limitation on the receipt of Pell grant funds, the committee establishes a time limit of 18 semesters or an equivalent period of time.

TRIO programs

The Federal TRIO programs, including Talent Search, Upward Bound, Student Support Services, Postbaccalaureate Achievement, and Educational Opportunity Centers programs, which provide assistance for first generation and low-income students, have been reauthorized and strengthened. The legislation adds meaningful accountability that will ensure programs maintain high quality services to students. S. 1642 also expands the list of required and permissible services for TRIO programs, in part, to include improving student or parent financial and economic literacy and programs for students with disabilities and those who are homeless or in foster care.

GEAR UP

The GEAR UP program provides assistance for States or partnerships to help low-income students in 7th grade through high school prepare for college. This legislation maintains the requirement that States provide scholarships for students. Activities are expanded beyond early intervention programs to include those designed to improve high school and postsecondary graduation rates.

Leveraging Education Assistance Partnership (LEAP)

The LEAP program is reauthorized, but the Special LEAP program is replaced by the Grants for Access and Persistence program, which is designed to improve the ability of the Federal Government to leverage funds for student need-based grant aid through State and private funds.

Migrant and seasonal programs

The migrant and seasonal program is reauthorized and services provided by the college assistance migrant program are expanded to include internships, transportation, and child care. Changes to the program mirror language in the Senate Workforce Investment Act reauthorization bill, in that families of migrant workers are made eligible for services.

Robert C. Byrd Honors Scholarship Program

The Robert C. Byrd Honors Scholarship Program is reauthorized without change.

Part B—Federal Family Education Loan Program

S. 1642 sunsets the school as lender program as of June 30, 2012. Consumer information requirements with respect to lending generally, and consolidation lending specifically, are increased. S. 1642 prohibits guaranty agencies from offering inducements to institutions of higher education or their employees or any lender for the purpose of securing benefits, including applicants for loans, and prohibits unsolicited mailings of student loan application forms and fraudulent or misleading advertising of loan availability, terms, or conditions. Lenders are required to provide borrower repayment information to all major credit bureaus. Financial literacy is added to allowable default reduction activities. The definition of disabled borrowers whose loans can be discharged is expanded.

Part C—Federal Work-Study Program

The Secretary may waive the community service requirement for institutions under this part if they can certify that at least 15 percent of their student enrollment participates in community service, tutoring or literacy activities. No more than 10 percent, or $75,000, of an institution's work-study allotment may be used to establish or expand programs that locate and develop jobs for its students. This legislation also emphasizes the importance of service in work-colleges by changing references in the statute to "work colleges" to "comprehensive work-learning programs" and "comprehensive work-learning-service programs."

Part D—Federal Perkins loans

The Perkins loan program, through which institutions are permitted to operate revolving loan funds, is reauthorized. Four new categories of individuals eligible for loan cancellation are added, and one is expanded under this part: 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), full-time faculty members at Tribal Colleges and Universities, librarians who are employed in schools with a high population of low-income students, and speech and language pathologists working with students with disabilities in such schools will be eligible for Perkins loan forgiveness. The maximum amount of Perkins Loan forgiveness for members of the Armed Forces is expanded from 50 percent to 100 percent.

Part E—Need analysis

S. 1642 excludes the value of on-base military housing or the value of basic allowance for housing in the financial aid needs analysis calculation, but clarifies that such students' expenses reasonably incurred for board (not for room) may be considered for the purpose of determining financial aid.

Part F—General provisions relating to student assistance

The Advisory Committee for Student Financial Assistance is reauthorized. In addition to its other assignments and activities, the Advisory Committee is required to carry out a review and analysis of title IV regulations and conduct a study of innovative pathways to baccalaureate degree attainment.

The Secretary is required to simplify the financial aid process, develop a simplified paper "EZ FAFSA," and conduct early financial aid awareness activities. S. 1642 allows students to apply for and receive an estimate of Federal financial aid earlier than the year prior to enrollment. An early application and award demonstration program is established that will serve 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.

S. 1642 also allows students with intellectual disabilities to be eligible for Federal student financial assistance even if they are enrolled in non-degree higher education programs.

Institutions must provide additional information on their student body diversity, disaggregated graduation rates, student financial assistance and the procedures for applying for such assistance, the cost of attending the institution, general information about the academic and non-academic aspects of the school programs, policies and sanctions regarding copyright infringement, campus policies regarding immediate emergency procedures, student loan information for borrowers during entrance and exit counseling, and transfer-of-credit policies. Institutions must also publish an annual fire safety report on on-campus student housing. In addition, institutions must provide a list of institutions with which they have established articulation agreements for the transfer of credits.

The Secretary is required to provide institutions participating in Federal student aid programs with a calendar of reporting and disclosure requirements indicating both when certain information is

due and the required recipients. As a condition of participation, proprietary institutions of higher education must derive at least 10 percent of their revenues from sources other than title IV programs. In addition, S. 1642 establishes guidelines for the Secretary to administer the National Student Loan Data System (NSLDS) in an effort to ensure the security and efficient operation of the NSLDS.

S. 1642 requires that institutions establish, enforce and follow a code of conduct regarding student loans that prohibits institutions and its employees from receiving anything of value from any lender in exchange for an advantage in securing student loans. A number of requirements are placed on institutions of higher education that choose to maintain a preferred lender list recommending certain lenders to students.

Part G—Program integrity

The criteria that accrediting agencies must consider when evaluating institutions of higher education is expanded. Accrediting agencies are required to have expanded due process procedures in place to resolve disputes over adverse action. The bill updates accreditation processes with respect to online or distance education in recognition of current trends. The bill ensures that institutional missions are considered during the accreditation process. Accrediting agencies are also required to confirm as part of their accreditation process that an institution publicly discloses its transfer of credit policies. The Secretary is required to provide information to schools undergoing a program review and give those institutions an opportunity to review and respond to that information before a final determination is made.

Lenders of title IV guaranteed loans are required to provide all borrowers with clear, conspicuous, timely information on the history of their loan payments and total charges, repayment options, and default information.

S. 1642 establishes that the Comptroller General shall evaluate a pilot program for the auction of Federal PLUS loans, once such a pilot is established.

Title V—Developing Institutions

The bill expands the allowable uses of grants to support Hispanic-Serving Institutions, similar to the existing program for Historically Black Colleges and Universities, and creates a new grant program for eligible Hispanic-serving institutions that offer graduate programs.

Title VI—International Education

The international education programs are reauthorized and strengthened to address the need for American expertise and knowledge about a greater diversity of less commonly taught languages and nations of the world. An interagency group to determine the priorities for international education programs is established.

Title VII—Graduate and Postsecondary Improvement Programs

Graduate education programs under this title are reauthorized. Areas of professional workforce shortages are included as areas of national need in determining priority for grants. The disability demonstration program is reauthorized, and a new grant program is established to encourage the formation of special programs for institutions of higher education to serve students with intellectual disabilities. Eligibility for the Thurgood Marshall Legal Opportunity Program is expanded.

The Fund for the Improvement of Postsecondary Education is reauthorized and new authorizations are established for: a scholarship program for family members of veterans and members of the military; support for consortia of institutions to offer courses focused on poverty and human capability; support for a program that improves secondary school graduation, college attendance; and college completion rates among at-risk students; the creation of a center for best practices for single parent students in higher education; and assistance to institutions in understanding Federal education regulations.

Title VIII—Miscellaneous

Grant programs are established to: States to award scholarships of up to $1,000 to students who have completed a rigorous math or science secondary school curriculum; contract with an independent organization to complete an assessment of the factors associated with cost of tuition; help institutions of higher education and local Workforce Investment Boards develop new curriculum and services related to high skill, high growth occupations; support registered nursing programs; establish or strengthen postsecondary academic programs or centers that promote the teaching of traditional American history; support the Teach for America program; assist highly qualified minorities and women to acquire the highest degree available in underrepresented academic areas; contract with a not-for-profit organization to make available year-to-year college enrollment rate trends by secondary schools; establish a new grant program supporting Predominantly Black Institutions; establish State Early Childhood Education Professional Development and Career System Task Forces; expand programs for the development of science, technology, engineering or mathematics professionals from elementary schools through college, with a focus on Alaska Native and Native Hawaiian students; establish a pilot program to increase student persistence at community colleges; and create a new grant program for institutions of higher education to develop and improve their campus safety and emergency response systems.

Title IX—Amendments to Other Laws

EDUCATION OF THE DEAF ACT

The Federal grant program for Gallaudet University and other institutions serving deaf students at the secondary and postsecondary levels is reauthorized.

UNITED STATES INSTITUTE OF PEACE ACT

The legislation reauthorizes the U.S. Institute of Peace and provides for the Institute's authorization to be automatically extended for 1 year, if necessary, similar to other Federal education programs. In addition, the legislation clarifies that the term of members begins on the date of their confirmation and swearing-in.

TRIBALLY CONTROLLED COLLEGE OR UNIVERSITY ASSISTANCE ACT AND THE NAVAJO COMMUNITY COLLEGE ACT

Two programs that provide funding for tribally controlled institutions of higher education are reauthorized.

II. BACKGROUND AND NEED FOR LEGISLATION

The current authorization of the Higher Education Act expires at the end of March 2008. The Federal Government must renew its commitment to ensuring access to higher education through the reauthorization of this vital legislation. When Congress first passed the Higher Education Act more than 40 years ago, it was guided by the principle that no qualified student should be denied the opportunity to attend college because of cost. In 1965, and again in 1972 when the Pell Grant was established, Congress recognized that access to a college education is a vital gateway to helping citizens achieve the American dream.

Today, Americans are facing rapid changes in the global economy. Wages have declined, the cost of living has risen, and fewer jobs that pay good wages are available to our citizens. Today, 60 percent of new jobs require some post-secondary education, compared to just 15 percent of new jobs half a century ago. In the face of these challenges, a college education is more important than ever. However, college has never been more difficult to afford. The cost of college has more than tripled over the last 20 years. Today, average tuition, fees and room and board at our public colleges is more than $13,500, and it totals more than $32,000 at private colleges. Each year, more than 400,000 talented, qualified students do not attend a 4-year college because they cannot afford it. At the same time, the buying power of the Pell Grant—the lifeline to college for low-income students—has shrunk dramatically. Twenty years ago, the maximum Pell Grant covered 55 percent of costs at a public 4-year college. Today, it covers about 32 percent of those costs.

As a result, students are sinking deeper and deeper into student loan debt. In 1993, fewer than half of all students took out loans to finance their education. Today, more than two-thirds of students borrow for college. Currently, the typical student leaves college with more than $19,000 in student loan debt. This mountain of debt is distorting countless Americans' basic life choices. It is causing them to delay getting married, buying a home, and starting a family. It is also discouraging many young people from entering occupations such as teaching, social work and law enforcement—the low-paying but vital jobs that bring large rewards for our society.

S. 1642 addresses important concerns related to the practices of some lenders and college officials with respect to the Federal student loan programs. As investigations by the Chairman of the HELP Committee and the New York Attorney General have found,

some lenders have offered gifts to college and university employees in order to secure their students' loan business, and others have been involved in similar unethical practices. S. 1642 restricts these practices and protects students by ensuring that when a college recommends a lender, the college's recommendation is based on the best interest of students.

The Higher Education Amendments of 2007 also simplifies the overly-complex Federal financial aid application process for students and families, holds colleges accountable for college costs, improves training programs for K–12 teachers, strengthens many key higher education programs, such as TRIO, and creates a new student safety grant program to help colleges and universities improve their campus safety and emergency response systems.

III. Legislative History and Committee Action

There have been nine extensions of the Higher Education Act Amendments of 1998 since it expired in September 2003. In the 109th Congress, the committee unanimously passed S. 1614, the Higher Education Act Amendments of 2005, the first bill that reauthorized and made major changes to programs in the Higher Education Act since 1998. Congress has also acted through the Higher Education Reconciliation Act (P.L. 109–171) and the College Cost Reduction and Access Act (P.L. 110–84) to make additional changes to the Higher Education Act.

During the 109th and 110th Congresses, the committee held six hearings and one roundtable discussion before the introduction of the Higher Education Amendments of 2007.

HIGHER EDUCATION ACCREDITATION: HOW CAN THE SYSTEM BETTER ENSURE QUALITY AND ACCOUNTABILITY (FEBRUARY 26, 2004)

Four witnesses appeared before the committee: Steven Crow, the Executive Director of the Higher Learning Commission of the North Central Association of Colleges and Schools, Jeffrey Wallin, President of the American Academy for Liberal Education, Jerry Martin, Chairman of the American Council of Trustees and Alumni, and Robert Potts, President of the University of North Alabama.

HIGHER EDUCATION AND THE WORKFORCE: ISSUES FOR REAUTHORIZATION OF THE HIGHER EDUCATION ACT (MARCH 4, 2004)

Charles Bohlen, President of Laramie County Community College, James Votruba, President of the University of Northern Kentucky, Beth Buehlmann, Vice President and Executive Director of the Center For Workforce Preparation, U.S. Chamber of Commerce, Diana G. Oblinger, Executive Director of Higher Education, Microsoft Corporation, and Ellen O'Brien Saunders, Executive Director, Washington State Workforce Training and Education Coordinating Board testified before the committee.

A YEAR-'ROUND COLLEGE CALENDAR: ADVANTAGES AND IMPEDIMENTS (MARCH 9, 2004)

The Subcommittee on Children and Families of the Committee on Health, Education, Labor, and Pensions heard testimony from Stephen Trachtenberg, President of The George Washington University, India McKinney, a student at Vanderbilt University, Mi-

chael Lomax, President of Dillard University, who spoke on behalf of the United Negro College Fund, Virginia Hazen, Director of Financial Aid at Dartmouth College, and Margaret Heisel, Associate to the Vice President and Executive Director, Admissions and Outreach, University of California Office of the President.

LIFELONG EDUCATION OPPORTUNITIES (APRIL 14, 2005)

Two sets of witnesses provided testimony at the hearing. The first panel consisted of the Secretary of Education, Margaret Spellings, and the Secretary of Labor, Elaine L. Chao. The second panel included the Governor of Kansas, Kathleen Sebelius, the Governor of Kentucky, Ernie Fletcher, the Director of the Washington Office of the Greystone Group, former Congressman Steve Gunderson, the Executive Director of the Business-Higher Education Forum, Brian Fitzgerald, and the Vice President of the Colleges of Worcester Consortium. Pamela Boisvert.

PROVIDING QUALITY POSTSECONDARY EDUCATION: ACCESS AND ACCOUNTABILITY (APRIL 28, 2005)

Five witnesses appeared before the committee: Kati Haycock, Director of The Education Trust, Trinity Thorpe a student at Pepperdine University, Brian Bosworth, President of FutureWorks, Robert Shireman, Director of The Institute for College Access and Success and Phillip Van Horn, President of the Wyoming Student Loan Corporation.

ROUNDTABLE—HIGHER EDUCATION AND CORPORATE LEADERS: WORKING TOGETHER TO STRENGTHEN THE AMERICAN WORKFORCE (MAY 19, 2005)

The committee heard testimony from Louis Caldera, President of the University of New Mexico, Robert Craves, a founder of Costco Wholesale Corporation and currently CEO and President of the Washington Education Foundation, Edward Hoff, Vice President-Learning, IBM, Edison Jackson, President, Medgar Evers College, the City University of New York, Patricia McGuire, President of Trinity College in Washington, DC, James Mullen, President and CEO of Biogen IDEC, Laura Palmer-Noone, President of the University of Phoenix, Walter Nolte, President of Casper College, Charles Reed, Chancellor of the California State University and Patrick Sweeney, President and CEO of Odin Technologies. Rev. Michael Sheeran, President of Regis University had planned to testify but was unable to. He was invited to submit a statement for the record.

HIGHER EDUCATION, HIGHER COST AND HIGHER DEBT: PAYING FOR COLLEGE IN THE FUTURE (FEBRUARY 16, 2007)

Four witnesses appeared before the committee: Suze Orman, Host, "The Suze Orman Show," CNBC, Tamara Draut, author of Strapped: Why America's 20- and 30-Somethings Can't Get Ahead and Director of the Economic Opportunity Program, The Demos Institute, Dr. Jon Oberg, Former researcher, U.S. Department of Education, and Dr. Sandy Baum, Senior Policy Analyst, The College Board and Professor of Economics, Skidmore College.

RECOMMENDATIONS AND COMMENTS

In addition, the committee considered the written recommendations and comments from over 100 organizations and institutions involved in the field of higher education.

On June 18, 2007, Senator Kennedy introduced the Higher Education Amendments of 2007, S. 1642. The bill was cosponsored by Senator Enzi.

A. Committee Mark-up

On June 20, 2007, the committee met to consider S. 1642. The committee took action on four amendments, including the unanimous adoption of a manager's amendment offered by Senator Kennedy that made technical changes. Three additional amendments were offered and adopted. The bill was approved by a rollcall vote of 20 yeas to 0 nays and ordered to be reported with amendments in the nature of a substitute.

B. Rollcall vote

The bill as amended was reported favorably by a vote of 20 yeas to 0 nays.

Yeas: Kennedy, Dodd, Harkin, Mikulski, Bingaman, Murray, Reed, Clinton, Obama, Sanders, Brown, Enzi, Gregg, Alexander, Burr, Isakson, Murkowski, Hatch, Roberts, Allard.

Not Voting: Coburn.

C. Amendments offered

In addition to the manager's amendment to make technical changes offered by Senator Kennedy, three amendments were offered and adopted without objection:

1. Senator Burr offered an amendment to prohibit an individual that has been convicted of murder, or of a criminal offense against a minor or a sexually violent offense against a minor from being eligible for a grant designed to help imprisoned youths transition from incarceration into the community.

2. Senator Burr also offered an amendment to provide stipends for mentors under teacher quality partnership grants which may include bonus, differential, incentive, merit, or performance pay.

3. Senator Brown offered an amendment that would strike the special rule regarding permissible priority for Federal TRIO programs.

IV. Explanation of Bill and Committee Views

Title I—General Provisions

In amending title I of the Higher Education Act of 1965, the committee intends to update the law to reflect the dramatic changes in the field of higher education over the past 10 years. With a growing proportion of students attending concurrent or dual enrollment programs, or through distance education programs, the committee amends the definitions of higher education to incorporate these larger trends. The committee also changes certain provisions to reduce the potential for fraud and abuse within the Federal higher education programs.

DUAL AND CONCURRENT ENROLLMENT

The committee recognizes the significant growth in dual and concurrent enrollment programs, which enable some secondary students to earn postsecondary credit in a program of study at an institution of higher education. According to data from the National Center for Education Statistics, 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 in institutions participating in programs authorized under the Higher Education Act of 1965.

FOREIGN MEDICAL SCHOOLS

In general, medical schools qualify to participate in the Federal Family Education Loan program if at least 60 percent of their student body is non-American and at least 60 percent of their students or graduates taking the examinations administered by the Educational Commission for Foreign Medical Graduates received a passing score. However, current law contains an exemption to this dual requirement for foreign medical schools that have a clinical training program that was approved by a State as of January 1, 1992. This condition is modified to specify that an institution that has or had a clinical training program that was approved by a State as of January 1, 1992, and has continuously operated an approved clinical training program in at least one State, qualifies for the exemption. This was done to enable an institution that has continually operated a State-approved clinical training program in at least one State to continue to meet the exemption in the event that the clinical training program that was approved by a State as of January 1, 1992 ceases to operate, or in the event that that institution opts to change the clinical training program affiliated with the institution.

PERFORMANCE-BASED ORGANIZATION (PBO) FOR FEDERAL STUDENT FINANCIAL ASSISTANCE

The committee applauds the efforts since the last reauthorization to implement the PBO. Schools and individuals have benefited from improved efficiency in originating, servicing and processing grant and loan aid. The ombudsman has provided needed guidance to students struggling to navigate the complex system. There is strong support for continuation of these efforts to make further progress in the delivery of student financial aid.

COST OF HIGHER EDUCATION

The committee feels strongly that the rising cost of higher education is undermining the Federal commitment to making college accessible and affordable. Although Federal expenditures for higher education are at an all time high, the purchasing power of Federal programs has been losing ground as colleges and universities continue to increase tuition and fees at rates much higher than the rate of inflation.

The College Board, which produces a highly respected annual survey of college costs, reported in its 2007 report that the average tuition and fees for a public, 4-year institution of higher education

had increased by 5.9 percent from the previous year. Even after adjusting for inflation, tuition and fees have increased by more than 44 percent in the 10 years preceding the 2007-08 academic year.

The rapid increase in college costs has negatively impacted the ability of students to afford a college education, for students and parents to save sufficiently to prepare for the costs of college, and has required an increasing number of students to borrow high-interest loans from non-Federal programs, adding significant debt burden to students and their parents.

Diverse explanations have been offered, but the consequences of these rapid increases have not been any less dramatic. In 1997, the maximum Pell grant award was $2,700. Since then, the maximum grant has increased to $4,310, yet many students still find themselves borrowing additional funds to meet the cost of attendance. While 92 percent of undergraduate students enrolled in public institutions pay tuition and fees of less than $15,000, only 16 percent of undergraduate students enrolled in private colleges (both proprietary and independent schools) pay tuition and fees of less than $15,000. Despite historic increases in Federal student assistance programs, cost is surpassing the ability of students to pay for their education, even while receiving the maximum Federal assistance available to them.

As a result, many parents and students who have saved for college find themselves borrowing additional funds to meet the costs of college. The Advisory Committee on Student Financial Assistance suggests that cost accounts for up to 48 percent of college-ready high school seniors not enrolling in a 4-year institution of higher education, and for 22 percent of college-ready seniors not enrolling in any postsecondary education at all.

To address this challenge, the committee includes several separate provisions intended to provide students and their parents with better information about the cost of college. The committee expects this information to help provide students and their parents with a realistic set of expectations about the cost of postsecondary education, as well as introduce some incentives for institutions to control the cost of attendance. The public availability of this information is expected to support institutions and States that are committed to maintaining access to affordable higher education.

The committee has taken several steps to ensure students and parents have access to information about the cost of college. The committee, requires the Bureau of Labor Statistics to create a higher education price index that tracks the affordability of higher education, and requires the Secretary of Education to publish annual "Higher Education Price Increase Watch Lists" that report all institutions of higher education whose tuition and fees outpace their applicable higher education price index in a given year. The Secretary is also required to publish annual reports comparing State appropriations to public institutions of higher education to the increase in tuition and fees at such institutions, and is required to create several "net price calculators" to help students and families determine the price of an institution of higher education after Federal aid is accounted for. The committee believes this additional information will help parents and students make well-informed decisions about postsecondary attendance, so the greatest number of students can attend and succeed in postsecondary education.

The committee recognizes that the development and implementation of the higher education price index will require appropriate time and resources. The committee expects the Commissioner of the Bureau Labor Statistics to have completed the initial development of the index within 1 year, it anticipates that the full-scale development and publication of the index may take 2 to 3 years. The committee intends to work with the Committee on Appropriations to secure the necessary funding for this effort.

While the committee recognizes that many private sector firms have produced high-quality informational products with respect to the cost of college, the committee believes the Department of Education can also provide added value in making better use of the information collected and made available through the college opportunities online (COOL) website. The committee requires the Secretary of Education to develop, for each institution of higher education, a model document known as the "University and College Accountability Network," which will report key data related to an institution's cost, academic programs, student outcomes, and availability of student aid, among other factors. The committee expects the added emphasis on the Department's Web site as a means for families and students to obtain information about postsecondary education will result in an effort to make such resources more user-friendly.

Title II—Teacher Quality Partnership Grants

With the passage of the No Child Left Behind Act, Congress took an important step to ensure that all of the Nation's children are taught by highly qualified teachers. The committee believes that improving teacher quality is an important and effective means by which student achievement is increased. By eliminating the existing State grant program in title II and focusing on the partnership grant program, the committee bill will strengthen programs that prepare prospective and new teachers with strong teaching skills and research capabilities. This preparation ensures that our Nation's educators receive the training and support they need to strengthen elementary and secondary school and early childhood programs. The committee expects activities under title II of this act will complement the larger teacher preparation efforts in Title II of the No Child Left Behind Act, as well as other relevant State efforts.

HIGH NEED ACADEMIC SUBJECT AREAS AND HIGH NEED AREAS

Throughout title II, the committee references high-need academic subject areas (such as reading, mathematics, science, and foreign languages) and high-need areas (such as special education, language instruction educational programs for limited English proficient students, and early childhood education). Studies indicate that a shortage of highly qualified teachers exists nationally in the specific subject areas and instructional areas indicated above. Nevertheless, it is not the committee's intent for teacher training, and professional development supported under this title to be limited to these subjects and instructional areas alone, since shortages in particular subject and instructional areas may vary from State to State, from district to district, or from school to school.

EARLY CHILDHOOD EDUCATOR

The committee recognizes that quality early childhood education programs are staffed by educators who are highly competent in all the essential domains of early childhood development including cognitive, social, emotional, and physical development. Given the great variation in the governance, funding, and standards of early childhood education programs including Head Start, Early Head Start, State pre-kindergarten programs, and local education agency pre-kindergarten, the committee provided a definition of a highly competent early childhood educator. However, it is the committee's intent that early childhood educators meet the standards and qualifications of the program in which they are teaching and that all early childhood education programs ensure that young children receive a comprehensive early childhood education that prepares them to succeed in early elementary education and beyond.

EARLY LITERACY AND PRE-NUMERACY

The committee believes quality early childhood education programs should be comprehensive programs that address children's social, emotional, and physical development, as well as their cognitive development. In particular, research has shown the critical importance of quality early childhood instruction that addresses language, early literacy, and pre-numeracy skills for school readiness and later academic achievement. Effective early reading and pre-numeracy programs delivered by highly competent early childhood educators are vital for later reading and mathematics proficiencies. Early childhood educators must be equipped with an understanding of how oral language, pre-reading, early literacy and pre-numeracy skills develop. These educators need professional development throughout their careers in order to strengthen their knowledge and skills for promoting children's cognitive abilities including language, pre-reading, and pre-numeracy.

ELIGIBLE PARTNERS

The committee bill focuses on teaching skills and learning strategies by including as eligible partners in the partnership grants academic departments such as psychology, human development, or other departments with comparable expertise in the disciplines of teaching, learning, and child and adolescent development. Other academic departments are also eligible to participate. Additional entities added as eligible partners include early childhood education programs; and educational service agencies; and consortia of local educational agencies.

It is the intent of the committee that community colleges and tribal colleges be eligible to participate in the Teacher Quality Partnership grants. These institutions provide a critical entry point for many teachers and every effort should be made to strengthen the programmatic ties to 4-year institutions of higher education.

INDUCTION

The committee intends the induction programs described in the bill to be formalized and comprehensive programs designed to provide support through not less than the first 2 years of teaching to beginning teachers in order to improve teaching skills and promote

retention in the teaching field. Research consistently shows that induction programs reduce the number of teachers who leave their schools or the profession. Induction includes high quality mentoring by experienced and qualified mentors, 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 evaluation of the new teacher. Induction programs may also provide reduced teaching loads, the support of a teaching aide, orientation seminars, and regular evaluation of the teacher inductee, the mentors, and the overall program.

TEACHER MENTORING

The committee recognizes the importance of teacher mentoring, for both new and prospective teachers. Teacher mentors must be well trained, and mentoring programs must match mentors by field, grade or subject. The committee believes that every effort should be made to ensure that rural teachers can fully participate in mentoring activities, including providing these opportunities through online or electronic technology.

TEACHER RESIDENCY PROGRAM

Teacher turnover regularly drains schools of their most important resource: qualified educators. It is critical for the committee to address persistent teacher attrition and to improve teacher retention in this bill. The committee supports the development of educators so they have not only the credentials but also the skills and training to be truly effective in the classroom.

This legislation allows partnerships to provide support for new teachers through comprehensive induction programs that include residency programs. Residency programs are school-based preparation programs that enable residents to teach alongside a mentor teacher for an entire academic year while earning a master's degree, teacher certificate or license, and becoming highly qualified. This can provide essential instructional leadership and classroom support for teachers during induction and beyond.

TEACHING SKILLS

Current law provides an allowable use of funds for the partnership grants to prepare teachers with the knowledge and skills to work with and involve parents in their children's education, as well as to provide instruction to diverse student populations, including students with disabilities and with limited English proficiency. The committee, however, believes that all teachers should be prepared to work with and involve parents, as well as provide instruction to diverse student populations, and that such preparation is paramount to effective teaching for all teachers. Accordingly, the committee has defined the term "teaching skills" to include the ability to communicate and work with parents, as well as the ability to increase student achievement, focus on identifying and tailoring academic instruction to students' specific learning needs, (particularly students with disabilities, students who are limited English pro-

ficient, gifted and talented students, and students with low literacy levels), use strategies based on empirically based practice and scientifically valid research, and manage a classroom effectively. Under this legislation, eligible partnerships must use title II funds to promote effective teaching skills.

TEACHING STUDENTS WITH SPECIFIC LEARNING NEEDS

The committee has made several improvements in title II to further the success of students with specific learning needs, including students with disabilities, students who are limited English proficient, students who are gifted and talented, students with low literacy and, as applicable, children in early childhood education programs, by focusing on the instruction the students receive in the classroom and on the instruction that teachers receive in their preparation program. The bill also encourages the preparation of teachers so they possess skills and an understanding of effective instructional strategies across all applicable content areas that enable them to differentiate instruction for all students, but specifically students with special needs.

TEACHER RECRUITMENT AND RETENTION

Teacher attrition undermines teacher quality and drives teacher shortages. According to the National Commission on Teaching and America's Future, one-third of beginning teachers leave the profession within 3 years, and nearly one-half leave within 5 years. In high-poverty schools, turnover rates are even worse—approximately one-third higher than the rate for all teachers. Research also shows that teachers who leave are likely to have greater skills than teachers with comparable time in the profession who stay.

The committee encourages and supports the training and development of our Nation's teachers, who are the most important in-school influence on student learning. Partnership grantees must develop and implement effective mechanisms to recruit qualified individuals to become highly qualified teachers through the partnership's programs. The grantees must also develop and improve a sustained pre-service clinical education program, designed to improve teaching skills and provide year-long opportunities for teachers to receive the support, mentoring, instruction, and other training needed to strengthen their capability.

NUMBER OF PARTNERSHIP AWARDS

As explained in section 203, an eligible partnership is limited to one partnership grant during a 5-year period. The committee does not intend, however, to preclude an individual partner in a funded partnership grant from entering into another eligible partnership consisting of new members during that same 5-year period. For example, a State university might partner with a group of local education agencies in one part of the State for one partnership grant and with another, different group of local education agencies in another part of the State for another partnership grant.

PROGRAM EFFECTIVENESS

The committee believes it is critical for States to evaluate the effectiveness of their teacher preparation programs, particularly the

impact of such programs on students' academic achievement. Accordingly, the bill requires an annual report to the State and the general public from each institution of higher education that has a traditional teacher preparation program or alternative routes to certification or licensure program and that enrolls students who receive Federal student aid. The report must include the pass rates and scaled scores of students enrolled in the traditional teacher preparation program or alternative routes to State certification or licensure program, comparisons of the program's pass rates and scaled scores with the State averages, and other program information such as number of enrolled students, disaggregated by race and gender.

In addition, each State must submit to the Secretary a similar report on the quality of teacher preparation programs in the State, both for the traditional teacher preparation programs and for alternative routes to State certification or licensure programs. The report must include a description of the reliability and validity of the teacher certification and licensure assessments and how they are aligned with State academic content standards, percentage of students passing the assessments, percentage of students completing requisite coursework, percentage of students participating in alternative routes, admission criteria for the programs, the number of teachers prepared by these programs by academic major, area of licensure and subject area, activities to address shortage areas, and other information.

It is the clear intent of the committee that the Secretary not use any of this information to create a national list or ranking of States, institutions or schools. The Secretary must provide Congress with a report on the grantees under this section, as well as a report comparing States' and institutions' efforts to improve the quality of the current and future teaching force.

The bill also requires States to provide technical assistance to low-performing programs of teacher preparation. Levels of performance shall be solely determined by the States and may include criteria based on information collected to measure program performance and identify those at risk.

Title III—Institutional Aid

Institutions that serve students who historically have been denied access to postsecondary education because of race or national origin play an important role in higher education. They help preserve cultural traditions, prepare students for jobs and careers, and offer affordable, high quality college education to thousands of students. These institutions also provide crucial support services and add hope to communities that have high rates of poverty and unemployment. Recognizing the purpose and importance of these colleges and universities, it is the intent of the committee to reauthorize and strengthen programs supporting institutional aid for institutions with substantial percentages of high-need students, Tribal Colleges and Universities, Alaska Native and Native Hawaiian-Serving Institutions, Native American-Serving Institutions, and Historically Black Colleges and Universities.

AMERICAN INDIAN TRIBALLY CONTROLLED COLLEGES AND UNIVERSITIES

There are 34 federally-supported Tribal Colleges and Universities (TCUs) in the United States. They educate over 30,000 students by offering associate's, bachelor's, and master's degrees as well as over 200 vocational certificate programs. Despite their significance, however, TCUs historically have possessed limited financial resources. This hinders their capacity to maintain and update facilities and instructional resources. In today's world, students' ability to receive a quality higher education depends on the availability of technology and resources available to students at their institution. The committee recognizes that TCUs do not have sufficient financial ability to provide these opportunities without Federal assistance.

To strengthen TCUs' capacity to offer quality educational opportunities to their students, the committee made changes to the way funding is distributed under this section. The committee gives the Secretary the authority to reserve up to 30 percent of awardable funds to address construction needs. If reserved, grants of not less than $1 million will be awarded to institutions for maintenance and renovation. The remaining money shall be awarded so that 60 percent will be distributed to eligible TCUs by formula using the Indian student count and 40 percent will be distributed in equal shares to those same institutions. The committee eliminates the wait-out period for these schools and establishes a minimum award of $500,000.

NATIVE AMERICAN-SERVING, NONTRIBAL INSTITUTIONS

The term "Native American" can be broad and encompassing. For the purposes of this legislation, the committee intends the term to mean a person having origins in any of the original peoples of North America and who maintains cultural identification through tribal affiliation or community recognition. This term may include Alaskan Natives and Native Hawaiians.

Native Americans are attending college at greater rates than ever and many of these students are attending nontribal institutions of higher education. In 2002, 42 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 2-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 pre-college 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 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.

HISTORICALLY BLACK COLLEGES AND UNIVERSITIES

The committee believes there is great value in supporting programs for Historically Black Colleges and Universities (HBCUs). Although the Nation's HBCUs represent less than 5 percent of all the Nation's colleges and universities, they award almost 30 percent of all baccalaureate degrees received by African-Americans. Further, in some areas of science, math, and engineering, HBCUs account for more than half of all such degrees awarded to African-Americans. HBCUs also greatly contribute to the overall percentage of graduate and professional degrees earned by African-Americans. Nine of the top 10 colleges that graduate the most African-Americans who go on to earn Ph.D.s are HBCUs. Xavier University's graduate programs alone produce a quarter of the Nation's African-American pharmacists and send the largest number of African-American students on to medical schools. The list of historically black graduate and professional institutions with qualified programs eligible to receive grants was expanded to include: Alabama State University, Coppin State University, Prairie View A&M University, Fayetteville State University, Delaware State University, Langston University, and West Virginia State University.

Title IV—Student Assistance

PELL GRANTS

The committee recognizes that Pell grants are the foundation for all need-based aid. In the 2003–04 award year, the $12.7 billion investment in the Pell grant program funded 5.1 million students with average grants of $2,466. By making necessary changes to the program, it is the committee's intent to increase the utility of Pell grants in ensuring that more low-income students are successful in post-secondary education.

The committee heard testimony from both traditional students and students who are working adults who stated that they would like to attend school year-round so they can complete their education earlier. However, these students have been unable to accelerate their programs due to financial need, since current law allows them to receive only one scheduled Pell grant award during an award year. Although the Secretary is authorized to permit a student to receive two Pell grants during 1 award year on a case-by-case basis, the authority has not been exercised. The committee's intent is to ensure that students enrolled at least half-time in a 2-year or 4-year program leading to an associate's or bachelor's degree are able to receive up to two Pell grants in a single award

year to enable them to accelerate completion of their educational programs.

The committee also limits eligibility for Pell grants for 18 semesters or an equivalent period of time if semesters are not used. The committee believes students should be able to complete an undergraduate degree in 18 semesters.

ACADEMIC COMPETITIVENESS AND SMART GRANTS

The committee is aware of concerns that have surfaced during the first-year implementation of the Academic Competitiveness Grant program, and has made several changes that will increase eligibility for the program and ensure that it is administered equitably among various groups of students. The limitation of eligibility for the grants to United States citizens is inconsistent with the eligibility requirements for other types of Federal student assistance and has been eliminated. In order to benefit working students and others who cannot attend college full-time, the committee extends eligibility for the grants to students who are enrolled in college on at least a half-time basis. In addition, the committee clarifies that students who are enrolled in 1- or 2-year certificate programs are eligible for Academic Competitiveness Grants. In light of the fact that many degree programs in science, technology and mathematics require 5 years of study rather than 4, the committee allows students in such programs who otherwise meet the requirements to receive SMART grants in their fifth year of college.

TRIO PROGRAMS

The committee respects the work of the TRIO programs and recognizes their critical contribution to the success of low-income, first generation students as they apply, attend and earn degrees from undergraduate and graduate institutions. To ensure that information about the effectiveness of these programs is publicly available, the committee requires each program to submit information on its outcomes to the Department of Education, and requires the Secretary to prepare and submit that information to the Congress, grantees and the public on an annual basis. In evaluating programs, the Secretary is required to identify practices that further the achievement of the outcome criteria in the law in order to promote promising practices in the field.

The committee recognizes the value of high quality programs and expects that in evaluating applications, the Secretary will award prior experience points only to those applicants that have administered programs that demonstrate the highest quality.

Controversy has arisen in recent competitions about applications that have been received from different campuses of the same institution of higher education, or multiple applications from one institution of higher education to serve distinct populations. It is the intent of the committee that a college or university with more than one campus be eligible to submit multiple applications and be considered for funding as long as its applications are meritorious. It is also the intent of the committee that an institution of higher education be permitted to submit more than one grant to meet the needs of particular populations within a program. Grantees may find that they need dedicated programs to serve students with disabilities or students with language needs; grantees should be given

the opportunity to complete separate applications, each of which should be considered on its merits.

The committee has included as permissible services under the TRIO programs activities specially designed for homeless children and youth and for students who are in foster care or aging out of the foster care system. These provisions are intended to increase the availability of services that meet the unique needs of homeless students and students in foster care.

For the first time, the committee has directed that some activities become mandatory in the college access programs. For Upward Bound and Talent Search, each grantee will be required to provide tutoring, advisement in high school course selection and in post-secondary course selection where possible, assistance in preparing for admissions tests and applications, assistance in identifying financial aid opportunities (including resources for locating public and private scholarships), and services to improve financial literacy.

The committee understands that Talent Search programs often cannot offer direct tutoring to all participants. However, if a program does not provide tutoring, it should connect participating students with appropriate tutoring available directly in their high school or through community based organizations to ensure that Talent Search participants are making satisfactory progress in all academic subjects as they prepare to apply to college.

In the Student Support Services program, the committee changed "personal counseling" in current law to "consistent, individualized, personal, career and academic counseling provided by assigned counselors" under permissible activities, to encourage Student Support Services programs to link students with at least one adult with whom a student can establish a long-term relationship.

While having the same person manage cases in the Educational Opportunity Centers (EOCs) would be beneficial, the committee understands that both the numbers of those served and the types of services provided often do not allow for that consistency. The committee encourages EOCs to do all that they can to facilitate relationships that provide the maximum support to their clients.

The committee notes with concern the Secretary's establishment of an absolute priority for the Upward Bound program grant competition in 2006–07. Some Members of the committee believe that in establishing the absolute priority, the Secretary contravened the provisions established by Congress regarding the program design and operation of the Upward Bound program. Other members of the committee agree with the intent of some of these provisions. In light of these views, the committee believes it is important to address the components of the absolute priority.

The committee agrees that priority should be given to Upward Bound projects that select not less than 30 percent of all first-time participants from students at high risk for academic failure. It now authorizes such priority legislatively. However, the committee does not believe that the Secretary should limit participation in an Upward Bound project only to students who enter such programs or projects in the 9th grade. While the committee notes the benefits of ensuring that students participate in an Upward Bound project for as long as possible, the committee notes that many Upward Bound projects currently serve, and have the capacity to serve, stu-

dents who enter Upward Bound in the 10th, 11th, and 12th grades. The committee believes that these students should not be prevented from receiving Upward Bound services.

GAINING EARLY AWARENESS AND READINESS FOR UNDERGRADUATE PROGRAMS (GEAR UP)

Since its creation in 1998, the GEAR UP program has proved to be an impressive partner in improving access to postsecondary education for the neediest students. However, the committee has heard concerns that GEAR UP is difficult to administer. Therefore, the committee has changed some provisions to make the program more flexible for institutions and helpful to students, thereby enabling the program to further enhance students' access to postsecondary education.

The committee is concerned about the growing number of students requiring remedial courses in postsecondary education. One way to address this concern is to ensure that more students take rigorous and challenging coursework at the secondary school level. Accordingly, the legislation requires States and partnerships to encourage more students to enroll in a rigorous and challenging curriculum. It is the hope of the committee that appropriate academic support provided in pre-collegiate programs, along with improved professional development opportunities, will minimize students' need for remedial education and encourage timely progression toward college degrees.

The committee also includes, as optional activities for States, the use of GEAR UP funds in developing new secondary school models and personalized dropout recovery programs to improve secondary school completion and college success for grades 11–14. New secondary school models are coherent, whole-school designs that provide participating students with early exposure to college level courses and environments. Such models permit students to earn an associate's degree along with a high school diploma (or within the next year) or transferable credits toward a recognized postsecondary credential (such as an industry certificate or apprenticeship). Also critical are programs to help high school drop-outs gain access to college. These funds could also be used to develop personalized dropout recovery programs at community colleges that allow students to complete a regular high school diploma and begin college level work toward a recognized postsecondary degree. These State-level models will demonstrate ways to improve secondary school completion and postsecondary success for grades 11–14 that can be replicated in other States and districts.

The committee recognizes that homelessness puts students at high risk of academic failure and dropping out of school. Therefore, the bill gives priority status to homeless and foster students for the GEAR UP program. Furthermore, the committee intends that GEAR UP programs coordinate activities with school district liaisons designated under subtitle VII–B of the McKinney-Vento Homeless Assistance Act. McKinney-Vento school district liaisons are well-positioned to assist the GEAR UP program with the identification, outreach, and recruitment of homeless students, and can help GEAR UP programs maximize available resources for these students.

Finally, the committee includes as permissible services under the GEAR UP program activities specially designed for homeless children and youth and for students who are in foster care or aging out of the foster care system. These provisions are intended to increase the availability of services that meet the unique needs of homeless students and students in foster care.

The committee makes it permissible for grantees to continue providing services to students who have completed secondary school and begun postsecondary education. The committee takes this step to enable GEAR UP programs to make it possible for students to receive ongoing, consistent support from the program that will enable them to succeed in college.

The scholarship is a key component of the program, not only because of the financial assistance it provides, but also because it serves as an incentive for the participating student to complete an academic program. The committee believes it is critical to the success of students served by the GEAR UP program, particularly State programs, that the scholarship funds be available to them upon completion of a secondary degree or its equivalent. To this end, the committee retains the requirement that State grantees dedicate a significant portion of grant funds for use in scholarship programs, which will be held in a separate trust for each cohort of students served by the State, or in the case of scholarships offered by partnership grantees, by the partnership.

It is the consensus of the committee that it is appropriate that students attending previous partnership schools may be served in future grants as long as the application demonstrates continued need for funding new activities. Therefore, subsequent applications from current grantees should be considered.

LEVERAGING EDUCATIONAL ASSISTANCE PARTNERSHIP (LEAP) PROGRAM

The committee believes that the changes made to LEAP—including providing students with information about their grants and implementing the Grants for Access and Persistence program—will strengthen LEAP 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.

The committee replaces the Special Leveraging Educational Assistance Partnership authorized under the LEAP program with Grants for Access and Persistence (GAP). By so doing, the committee seeks to reinvigorate 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, for LEAP funds above $30 million, States will be rewarded, through higher levels of matching funds, 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 4-year colleges and eliminate unmet need; to provide early notification to low-income students of their eligibility for financial aid; and to increase partici-

pation 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 contain philanthropies and businesses, in addition to colleges and early intervention and mentoring programs. The committee also specifically gives States flexibility in undertaking the new responsibilities authorized under the GAP program, including the ability to tailor the partnerships in ways that meet each State's individual needs. 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 information efforts in order to avoid duplication of services or information.

The committee encourages the Secretary to provide States with sufficient flexibility to implement the GAP program efficiently and to ensure that program regulations, such as those regarding the portability of grants, align with existing LEAP program regulations. In light of the changes to LEAP with the addition of the GAP program, the committee also encourages the Secretary to provide transition time to States to assure the success of this new initiative.

THE HIGH SCHOOL EQUIVALENCY PROGRAM AND COLLEGE ASSISTANCE MIGRANT PROGRAM

The committee recognizes that migrant students are among the most disadvantaged youth in this Nation. Current estimates place the dropout rate for migrant youth at between 50 and 60 percent. The High School Equivalency Program (HEP) and College Assistance Migrant Program (CAMP) have been successful in helping migrant students become productive members of society.

HEP provides intensive GED instruction and support services to migrant students who have not completed high school. HEP provides personal, academic and vocational counseling, health services, stipends, and housing for residential programs. CAMP grantees provide intensive support services to help migrant students make the transition into college. CAMP offers academic support, personal and career counseling, stipends, scholarships, health services, and other supports necessary to ensure that migrant students are successful in college.

The committee expands and improves the current programs so that children of migrant and seasonal farmworkers can share in the American dream and become more productive members of society.

The Higher Education Amendments of 2007 Act expands eligibility for CAMP to include "immediate family members," including spouses and siblings who would benefit the large migrant community. The bill also expands the definition of allowable activities and support services to include programs that ensure that migrant students succeed in earning their GED and completing college, such as transportation, child care and follow up services for CAMP students. The bill also contains other important provisions including allowing for technical assistance support and an increase in the

amount of minimum grants to ensure that programs receive sufficient funding to be effective.

CHILD CARE ACCESS MEANS PARENTS IN SCHOOL

Changes to the Child Care Access Means Parents in School (CCAMPIS) program reflect the committee's belief in the vital importance of promoting and expanding campus-based child care for low-income students to assist them in attending and completing postsecondary education. To help promote greater expansion of campus-based child care, the committee increased the minimum grant award from $10,000 to $30,000, to take effect when the amount appropriated for the program equals or exceeds $20,000,000. The committee believes that raising the minimum grant will increase the pool of institutions applying for and receiving grants, which will help to expand campus-based child care programs. Aligned with the committee's belief in the importance of increasing the number of institutions offering campus-based child care to low-income students, inclusion of a funding trigger for increasing the minimum grant award reflects the committee's aim of not wanting a reduction in the current number of grantees participating in the program. The committee also expands the definition of a low-income student to include individuals who are enrolled in a graduate or professional course or who are in the United States for a temporary period of time.

Continued support for this program demonstrates the committee's recognition of the benefits of campus-based childcare to parents enrolled in postsecondary education. These benefits include convenience of location, affordability, and high quality care. Despite the importance of campus-based child care, at current levels it is often not accessible to students, especially those who are low-income. The committee believes that support for campus-based child care services serves the central goal of Federal higher education policy of improving access to postsecondary education.

ADDITIONAL INFORMATION ON DEFERMENT AND FORBEARANCE

The committee heard testimony from witnesses about the need for more and better information on how to handle student loans in the repayment period. Borrowers need to understand the terms and conditions of their loans so they can act responsibly. One witness noted that many of the most serious problems former students face are generated by compounding interest that causes the payment obligations of borrowers under financial duress to increase dramatically. Therefore, the committee has expanded the information lenders must provide to all borrowers who are granted forbearance and to borrowers of unsubsidized loans who are granted a deferment to enable the borrowers to understand the impact of capitalization of interest on the loan principal and the total amount of interest to be paid during the life of the loan. The committee understands that the length of a deferment or forbearance is subject to change with a change in the borrower's circumstances. Therefore, lenders may provide borrowers with an estimate of interest that will be capitalized, and an estimate of total interest to be paid, using sample calculations.

RESTRICTIONS ON INDUCEMENTS AND PREFERRED LENDER LISTS

The committee believes strongly that lenders, guaranty agencies and institutions of higher education must act with honesty and integrity at all times to ensure that the financial aid programs under title IV serve the best interests of students. For this reason, the Higher Education Act has long restricted lenders and guaranty agencies from offering inducements to institutions of higher education. The act also requires institutions of higher education to enter program participation agreements that prevent institutions from accepting inducements or engaging in other activities that would compromise the integrity of the Federal student aid programs.

However, as an investigation by the HELP committee Chairman has documented, some lenders, guaranty agencies, and colleges participating in the title IV student loan programs have engaged in practices that violate the anti-inducement provisions of the Higher Education Act or otherwise contravene their intent. The committee believes strongly that abuses should be curtailed, and made an extensive bipartisan effort to strengthen the anti-inducement and program participation agreement provisions of the Higher Education Act in this bill.

To that end, Section 421 of the bill amends Section 428A of the Higher Education Act to specify that guaranty agencies participating in the FFEL program may not offer stock or other securities, prizes, travel, entertainment expenses, or tuition repayment to an institution of higher education or a lender, and may not perform or pay another party to perform any function under part B, D, or G of title IV that an institution of higher education is required to perform. Section 435 of the bill applies similar restrictions to FFEL lenders under Section 425 of the Higher Education Act, and further specifies that lenders may not offer technology equipment at below-market value, additional financial aid funds to an institution of higher education or its employees. This section also prohibits FFEL lenders from entering into consulting arrangements with or otherwise compensating a college employee who has responsibilities with respect to student loans and financial aid, except that a lender may reimburse such employee for reasonable expenses incurred in serving on a lender's advisory board. The committee also intends to prohibit unsolicited mailings of student loan applications by guaranty agencies and lenders, by any means of delivery.

Section 481 of the bill extends similar prohibitions against an institution of higher education accepting such inducements. It requires institutions to establish, follow, and enforce a code of conduct that, at a minimum, specifies that institutions and their employees are prohibited from: receiving anything from a lender in exchange for any advantage to the lender with respect to student loans; accepting any gift or trip of more than nominal value, except for reasonable expenses and domestic travel for professional development that will improve the efficiency and effectiveness of the title IV programs; or entering into a consulting contract with a lender or any other contract to provide services to a lender, in the case of an employee of the financial aid office or any other employee who has responsibility over student loans.

The committee emphasizes that these new restrictions are not meant to prohibit an institution of higher education from receiving a philanthropic contribution from a lender, such as support for an endowed professorship, as long as such contribution is not made in exchange for an advantage sought by the lender to make educational loans to students enrolled at the institution. The committee also does not intend for these restrictions to prohibit lenders, guaranty agencies, and institutions of higher education 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.

Finally, the committee has included new requirements related to the "preferred lender lists" that many colleges use to recommend lenders to students and parents seeking FFEL loans. The committee understands that preferred lender lists can be a useful tool in helping students and families compare the terms and benefits that various lenders offer and decide which lender to obtain their student loans from. However, the committee is also aware of numerous instances in which colleges' preferred lender lists have contained only one or two lenders, and other instances in which the lists have been presented in such a way as to suggest that the student must borrow from a particular lender in order to secure a FFEL loan through the school. To address these concerns, the bill requires that preferred lender lists for FFEL loans include at least three non-affiliated lenders; disclose why the institution has identified the lender as preferred, especially with respect to the terms and conditions of the lender's loans; and a prominent statement that students and parents do not have to obtain FFEL loans through lenders on the preferred lender list.

INFORMATION ON CONSOLIDATION LOANS

To address concerns heard from borrowers and schools that some borrowers who consolidated their loans did not understand that by doing so, they were forgoing benefits, the committee expanded the information that lenders must provide to borrowers who apply to consolidate their loans. Key among the new provisions are the requirements that the information about the possible impact of loan consolidation must include the length of repayment of the consolidation loan, the total interest to be paid on the loan, whether consolidation would result in a loss of loan benefits under the FFEL or Direct Loan program and, in the case of a borrower who plans to include a Perkins Loan, the fact that the borrower will lose all interest-free periods and cancellations for which the borrower would have qualified under the Perkins program; Borrowers must also be advised that they may change repayment plans and that they may pre-pay their consolidation loan or pay on a shorter schedule.

LOAN BENEFIT DISCLOSURES

It is the opinion of the committee that borrowers and potential borrowers should be provided full disclosure on benefits and repayment options. This should include, but not be limited to, information on reductions in interest rates by repaying a title IV loan by automatic payroll or checking account deduction or by completing a program of on-time repayment. Information should include any

limitations on such plans, explicit information on the reasons a borrower may lose eligibility, and a description of the number or percentage of borrowers who successfully participate in such benefit programs.

Definition of eligible lender

The committee recognizes that a State agency lender may be charged by the State legislature with providing effective and efficient services to that State's students. While the committee expects that all lenders and university financial aid personnel will adhere to a rigorous code of ethics, the committee does not intend that this legislation will preclude one State agency from working efficiently and effectively with another State agency to provide student services, including in the delivery of State education loan and grant programs funded and administered by the State. Nothing in this section is intended by the committee to prohibit a State agency that is a student loan lender from entering into a cooperative effort with another State agency, a State postsecondary institution, a secondary school, an early intervention and outreach program, or other similar entity to provide a comprehensive system of early financial aid information or other information designed to increase the number of students who enroll and persist in postsecondary education. Specifically, this section is not intended to prevent a State agency lender from entering into cooperative agreements with the State university system or other State agency or non-profit entity to fulfill the allowable activities of the College Access Partnership Grant Program provided for under P.L. 110–84, the College Cost Reduction and Access Act.

FEDERAL WORK-STUDY

The committee recognizes the commitment of many colleges to integrate community service into their curriculum and into their institutional mission. In this reauthorization, the committee maintains the 7 percent mandatory spending of Work-Study funds on community service related jobs, but now gives institutions the option of meeting the community service requirement by providing a Statement that says that 15 percent of their entire student body is involved in community service. In addition, the committee recognizes the effort involved in connecting students with jobs and has increased the job location and development dollar amount from $50,000 to $75,000 on each campus.

Work colleges

The bill includes language that encourages new models of student organized volunteer service projects. The committee believes that providing students the opportunity to participate in volunteer service projects associated with institutions of higher education is an excellent way to develop leadership and civic engagement.

PERKINS LOAN PROGRAM

The committee extends the authority of the Perkins Loan Program and the benefit extended through these loans to needy students and encourages institutions to continue to participate in this program.

The committee includes language that adds staff members working full time in a pre-K or child care program licensed or regulated by the State to the list of individuals eligible for Perkins loan cancellation. Inclusion of these individuals for loan forgiveness is meant to create an incentive for entry and retention of highly-trained staff into State licensed or regulated pre-K or child care programs. Today, more than 11 million children receive care outside of the home before kindergarten. For millions of children, child care is their early learning setting in addition to their homes. Given that current Federal initiatives require State child care plans to develop a professional development system for child care providers, the committee believes it is important to fulfill this goal by helping to provide such early educators with the assistance they need to get a degree and to remain in the field.

The committee also recognized the needs of Tribally Controlled Colleges in recruiting faculty and added those faculty members to the population who are eligible for loan cancellation.

Finally, the committee chose to add speech and language therapists and librarians, with a master's degree, who work in a title I eligible elementary or secondary school or, in the case of librarians, in a public library in a geographic area that contains one or more eligible schools, to the population of those eligible for Perkins Loan cancellation.

NEED ANALYSIS

Verification

While the bill would significantly simplify the financial aid application process for students, the verification process remains burdensome for students and institutions. The committee therefore strongly encourages the Secretary to take steps necessary to simplify the verification process and increase the use of technology in verification.

GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE PROGRAMS

In an effort to ensure that the financial aid system overseen by the Department of Education operates as smoothly as possible, the committee clarifies that the compliance calendar should provide all users with due dates for all reports and disclosures to be submitted, clearly defining the recipients and required method of transmittal and any other relevant information.

FAFSA

The committee believes that the application process for Federal student assistance is unduly burdensome for many students and families, and that steps should be taken to dramatically simplify the Free Application for Federal Student Aid, the form students and families complete to apply for Federal aid. The committee bill creates a new, highly simplified paper form, the EZ FAFSA, for low-income students who are eligible for the automatic zero Expected Family Contribution (EFC). The committee bill also phases out the full paper FAFSA and requires the Secretary to use savings from doing so to increase access for low-income students to electronic forms on the Department of Education's Web site for the FAFSA, currently known as FAFSA on the Web. It is the intent of

the committee that the Secretary will field- and pilot-test the EZ FAFSA prior to full implementation, and that the paper EZ FAFSA will be appropriately phased in as the full paper FAFSA is phased out. In addition, the committee expects the Secretary to maintain an easily downloadable and printable version of the full paper FAFSA, to the extent feasible, that would allow students who may not have adequate access to the Internet to download, print, and submit such forms for full processing. To otherwise help students eligible for the auto-zero gain access to the simplified forms, the committee authorizes a free telefile system for students without Internet access that the committee encourages the Secretary to quickly test and implement, if feasible.

The committee bill also creates highly simplified electronic application forms to enable all students to answer the minimum number of questions necessary, including only those required by their State of residence. In addition, the committee strongly encourages more States to accept the two simplified need analysis formulas, the automatic zero EFC (auto-zero) and the Simplified Needs Test (SNT), and to annually communicate with the Secretary regarding their data requirements and use of simplified formulas. It is also the intent of the committee to request a study by the Government Accountability Office regarding the benefits and costs to States of increasing their acceptance of the auto-zero and SNT. In addition, the committee intends to further simplify eligibility for the auto-zero and SNT by aligning eligibility for these formulas with current or past participation in Federal means-tested benefit programs. The committee bill also allows students to apply for financial aid earlier and to complete the FAFSA at any time in order to receive early, nonbinding estimates of their EFC. Finally, the committee bill protects students by strengthening provisions regarding the prohibition of charges for FAFSA completion.

Beyond simplifying the FAFSA itself, the committee also believes that other approaches to simplify the Federal student aid determination process should be tested for possible adoption in future reauthorizations. To that end, the committee has authorized an early application and award demonstration program, which will allow students to receive a Federal aid determination in their junior year of high school, and a study to develop alternative approaches for calculating the expected family contribution that use substantially less income and asset data, including an approach that would allow the Department of Education to pre-populate the FAFSA using individuals' tax form data, provided by the Internal Revenue Service.

Early awareness of financial aid eligibility

The committee bill creates a comprehensive system to provide students and families as early as middle school, as well as adult learners, with better information regarding financial aid and early estimates of their aid eligibility. It is the intent of the committee for students and parents to receive adequate estimates of their eligibility for aid from multiple sources, including State and institutional aid, as early as possible to encourage students and families to prepare and plan for college. In addition, the committee encourages the Secretary to conduct a feasibility study to determine the

practicability of allowing dependent students to apply for financial aid in their junior year using prior year income data.

Expanded entrance and exit counseling

The committee is concerned that borrowers either do not receive sufficient information about their student loans, or do not receive appropriate information on provisions of their loans at the right time, to enable them to make informed decisions. Some borrowers do not know that they can change their repayment plans or can request deferment or forbearance of repayment if they meet certain conditions. Other borrowers have requested loan deferment or forbearance but have not understood the impact of capitalization of interest on the amount they will owe. In other cases, borrowers who have consolidated their loans have given up benefits on their underlying loans, including loan deferments and cancellations, without understanding the consequences. To address these concerns, the committee has expanded entrance and exit counseling requirements for lenders and institutions of higher education so borrowers receive comprehensive information on their loans both when they receive them and when the borrowers leave school.

Institutional information

In addition to the information on college costs, the committee also believes it is important for students and their parents to have access to information regarding the transfer of credit, employment and graduate education outcomes. The committee includes these provisions in the list of information that must be made readily available to prospective and enrolled students. However, the committee recognizes the efforts of many institutions of higher education to provide data on these outcomes already, and encourages the Secretary to consider these efforts when implementing this section, in order to ensure these requirements do not become an onerous requirement for institutions.

The committee notes that the Executive committee of the State Higher Education Executive Officers (SHEEO) has directed its staff to explore means of promoting the further development and voluntary coordination of student record systems among the States. The SHEEO Executive committee action was based on the recognition that, in varying degrees of comprehensiveness, 39 States already implement student unit record systems that enable States to inform public policies by examining information on college attendance patterns, completion rates, actual costs, and the availability of financial assistance for all students.

The SHEEO Executive committee action reflected the following purposes and principles: SHEEO should examine existing State data systems and encourage the coordination and consistent development of such systems to improve the accuracy and validity of policy information and facilitate the development of information-sharing systems to monitor postsecondary participation, costs, and student success. Such systems ideally should include information on: (1) Student characteristics (demographic data); (2) Student enrollment; (3) Costs and financial assistance; and (4) Degree or certificate completion.

The committee encourages those 11 States that do not currently have an effective State data system to develop such a system. How-

ever, the committee includes in this reauthorization bill a provision that would prohibit the Department of Education from establishing a national unit record data system.

All State data systems should continue to maintain fail-safe safeguards to protect the privacy of individuals. All data analysis should be used exclusively for policy research on groups of students, with no disclosure or reporting of data on individuals or small groups that might involve violating the privacy of individuals. The committee supports research and discussion to foster improved policy data systems, involving and informing all sectors of higher education, policymakers, and others seeking to improve educational attainment in the United States.

Institutions are now required to report disaggregated information on the student body by gender, major racial or ethnic groups and Pell-eligibility status. In reporting graduation rates, institutions are allowed to take into consideration service in the armed forces, religious missions, or Government foreign service when calculating time to degree.

The committee includes language regarding the transfer of credit based on the findings of a GAO study, issued in October of 2005, that indicates many institutions do not have a formal transfer of credit policy, and that many institutions do not accept credits from institutions accredited by certain accrediting bodies or associations. Institutions are required to have a clearly stated public disclosure of their transfer of credit policies, including a statement of whether the institution denies transfer of credit solely on the basis of the accrediting agency or association that accredited the institution from which the student is transferring. This provision is intended to make sure that students have the best information possible when considering transferring from one institution to another. The committee does not expect this provision to impinge on the ability of institutions to develop articulation agreements with other institutions within the State or outside of the State, nor does the committee expect this provision to limit the ability of institutions to develop transfer of credit policies that take into account other factors, such as the quality, rigor, or relevance of the transferring students' previous coursework.

National Student Loan Data System

The committee establishes principles for administering the National Student Loan Data System (NSLDS) and adds requirements to address the committee's concern that the Secretary does not have guidelines either for restricting access to NSLDS or restoring access to NSLDS after it has been restricted. The committee intends for the Secretary to manage NSLDS in compliance with the intent and requirements of the Federal Information Security Management Act. Also, the committee intends that the Secretary take steps to ensure that borrowers are informed of the need for their data to be included in NSLDS and of the measures taken by the Secretary to protect their information, and that borrowers understand who will be able to access their information The Secretary is required to provide an annual report to Congress that includes a description of the effectiveness of existing privacy safeguards in protecting student and parent information in NSLDS and information on the success of any new protocols in more effectively pre-

venting abuse of the data system and the ability of the Secretary to monitor how the system is being used.

Experimental sites

The committee retains experimental sites and suggests that in addition to the list of suggested areas of experimentation, new or existing sites may want to look at the use of modular or compressed coursework as a way to expedite degree completion.

Advisory Committee on Student Financial Assistance

The Advisory Committee is charged with conducting a review and analysis of title IV regulations. It is the intent of the committee that the review and analysis of regulations will not take the place of the Advisory Committee's other ongoing charges from Congress, including those related to access and persistence for low- and middle-income students. The committee intends for the Advisory Committee to conduct the regulatory review and analysis while also fulfilling its existing responsibilities and its additional new charge to conduct a study on innovative pathways to degree attainment, including pathways for adults and out-of-school youth. It is also the intent of the committee for the Secretary to provide the Advisory Committee with the necessary resources to be able to conduct the review and analysis of regulations while fulfilling its other responsibilities to Congress.

ACCREDITATION

Accrediting agencies or associations recognized by the Department of Education are invested with a public trust and perform an important public function. Congress expects that those receiving Department recognition will perform those functions with the same diligence and competence as would be provided by any public body and that their procedures will be conducted with the same level of transparency, due process, and accountability that would apply to the Department if it performed this function itself.

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 these goals. It is not intended to allow an institution to deny a person participation in, the benefits of, or to subject a person to discrimination under any program or activity receiving Federal financial assistance under existing laws, including those with respect to race, color, religion, sex, national origin, age, or disability; or because the person has not complied with a standard of the institution that requires the person to discriminate on the basis of race, color, religion, sex, national origin, age, or disability.

Due process

The committee is concerned that institutions of higher education do not currently receive appropriate minimum due process protections when undergoing accreditation evaluations. Accordingly, the committee has added a new section which provides that, prior to any final action, an adversely affected institution may submit a written response to be included in the record of such decision and, further, that this institution may seek an appeal before a panel comprised only of members that did not participate in the under-

lying adverse decision and do not otherwise possess any conflict of interest.

With respect to the awarding of accreditation or reaccreditation of an institution, the word "finding" is included in the committee bill. The word finding means a substantive conclusion related to the agency's standards or the Secretary's criteria that is reached in connection with a decision.

TIMELY INFORMATION ABOUT LOANS

The committee has specified that lenders must include certain, borrower-specific information when billing a borrower. However, this requirement should not be construed to require a lender to mail the required information required to the borrower. Some lenders provide online accounts, which they update regularly with borrower-specific information, and which borrowers access to schedule payments, check account status, and generally manage their student loan accounts. Lenders may use this type of notification platform or any other electronic format to provide the information required by this section

AUCTION EVALUATION AND REPORT

The committee intends for the Government Accountability Office (GAO) to conduct a study of the pilot program established for the auction of Federal PLUS Loans under P.L. 110–84, the College Cost Reduction and Access Act. GAO's evaluation should cover at least five topic areas. First, GAO should determine the extent of any 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 program in the absence of a pilot program. This should include a description of any administrative costs to the Department in coordinating the auctions, and an analysis of how the costs of administering the auction compare to the savings, if any, realized by the auction.

Second, GAO should determine the number of lenders participating in the pilot program, and the extent to which the program generated competition among lenders. GAO should include in its review a description of how many unaffiliated financial institutions submitted bids for the right to originate FFEL Parent PLUS loans nationwide; a description of how many unaffiliated financial institutions originated FFEL Parent PLUS loans; an analysis of the national average special allowance payment (SAP) on new FFEL Parent PLUS loans determined by the auction; and an analysis of the range in SAP levels across the country.

Third, GAO should determine the impact of the transition to, and operation of, the auction on the ability of lenders and institutions of higher education to disburse loans made through the pilot program smoothly and efficiently; the ability of parents to obtain loans made through the pilot program in a timely and efficient manner; and the ability of borrowers to consolidate their loans. The GAO should also include in its review an analysis of the ability of the Department to effectively plan, implement and administer the auction; any additional regulatory burdens that may have emerged in the process of implementing and conducting the auctions; and the ability of the Department to guard against collusion in the bidding process.

Fourth, GAO should review the differential impact, if any, of the auction among the States, including between rural and non-rural States. GAO should include in its review a description of what States are served at each SAP level; which lenders are submitting bids for which States; whether similar lenders are bidding on States with similar characteristics (such as numbers of students or the rural vs. urban setting of the campuses); which States are being served by a lender of last resort; and which lenders are bidding on multiple States.

Fifth, GAO should assess the feasibility of using the mechanism piloted under this section to operate other Federal higher education loan programs. This assessment should include a description of the types of lenders who are the winning bidders; a description of the total volume of new FFEL Parent PLUS loans under the pilot, relative to volume of pre-auction years; a description of the total volume of new DL Parent PLUS loans under the pilot, relative to volume of pre-auction years; and an analysis of whether there have been changes in the number or type of concerns, questions or complaints received by the Federal Student Aid Ombudsman concerning FFEL Parent PLUS loans. Also, GAO should include an analysis of whether there have been changes in the quality of customer service being provided to FFEL Parent PLUS borrowers; an analysis of whether borrowers in some States are being offered benefits that are not being offered to borrowers in other States; a description of to what extent borrowers are taking out more than one FFEL Parent PLUS loan, and doing so with multiple lenders; and an analysis of whether borrowers or institutions of higher education have experienced any shortfalls in FFEL lender capacity, relative to pre-auction years.

GAO should report preliminary findings to the Chairman and Ranking Member of the committee no later than September 1, 2010; provide an interim report on September 1, 2012; and issue a final report on September 1, 2014.

Title V—Developing Institutions

According to Census Bureau data, the Hispanic population in the United States grew by 25.7 million between 1970 and 2000. The most recent data indicate that the Hispanic population represents approximately 14 percent of the U.S. population, making it the Nation's largest minority group. Further, while the overall labor force is projected to slow down over the next decades as an increasing number of workers reach retirement age, the Hispanic labor force is expected to continue growing at a fast pace. It will expand by nearly 10 million workers between now and 2020. Estimates project that by the year 2050, one in four Americans will be of Hispanic origin. The committee recognizes that the Nation's economic and social success rests, in large part, on the level of skills and knowledge attained by our Hispanic population. Hispanic-serving institutions play a critical role in the attainment of such skills and knowledge.

Hispanic Americans face challenges in enrolling in and graduating from institutions of higher education. Hispanic-serving institutions provide a significant proportion of postsecondary opportunities for Hispanic students despite having limited resources and capacity. The purpose of this title is to expand educational opportuni-

ties for Hispanic students by enhancing academic offerings and resources of colleges and universities that educate the majority of these students.

Hispanic-serving institutions (HSIs) have a record of increasing the number of Hispanic students enrolling in and graduating from college. Although HSIs account for only 5 percent of all institutions of higher education in the United States, HSIs enroll over half (51 percent) of all Hispanics pursuing higher education degrees in the 50 States, the District of Columbia, and Puerto Rico. Despite this progress, Hispanics still lag behind their non-Hispanic peers in postsecondary school enrollment. In 2000, only 21.7 percent of all Hispanics ages 18 through 24 were enrolled in postsecondary degree-granting institutions in the United States. Moreover, Hispanic students are disproportionately enrolled in 2-year colleges, and are much less likely to finish college than their non-Hispanic peers. According to the Department of Education, in 2000, Hispanics earned only 6 percent of all bachelor's degrees awarded, 4 percent of all master's degrees, and only 3 percent of all doctorates.

Therefore, the capacity of institutions of higher education to serve the increasing number of Hispanic students must be expanded and improved. Building on previous success, this bill strengthens HSIs by establishing a competitive grant program to expand post-baccalaureate degree opportunities at HSIs. Current law provides support only for 2-year and 4-year institutions; this bill establishes support for graduate programs at HSIs. Grants will support graduate fellowships and support services for graduate students, as well as supporting facilities improvement, faculty development, technology and distance education, and collaborative arrangements with other institutions.

It is the committee's intent to increase educational opportunities for all students, and particularly Hispanic students, and accordingly, to eliminate barriers that limit access. The bill facilitates the transition of Hispanic students from 2-year colleges to 4-year colleges, including courses designed to retain students through program completion. As noted earlier, Hispanics are disproportionately enrolled in 2-year colleges as compared to their non-Hispanic peers. To encourage and support these students' continued education, this bill adds, as an authorized activity, programs that assist a student's transfer from a 2-year institution to a 4-year institution.

With these provisions, the committee provides institutions of higher education with the resources and flexibility they need to build capacity and serve the increasing Hispanic student population.

Title VI—International Education Programs

For more than four decades, title VI international education programs have served the Nation in developing and maintaining today's national higher education infrastructure for the study of more than 220 foreign languages, foreign cultures, and international business. As witnessed in recent years, foreign language and cultural knowledge needs have significantly increased throughout the Federal Government due to a wider range of security threats, the emergence of new nation states, and the globalization of the United States economy. Likewise, American business and education increasingly need internationally experienced employees to compete

in the global economy, to manage a culturally diverse workforce, and to impart international skills and understanding to our citizens. In a time of heightened security needs, when our economy demands that we enter new markets, and when the world requires us to engage in diplomacy in more thoughtful and considered ways, it is vital that we have at our disposal a multilingual, multicultural, internationally experienced workforce and citizenry. To help meet these challenges, the committee updated and strengthened several title VI programs.

DIVERSITY OF VIEWS AND RESOLUTION OF DISPUTES

The committee is concerned about reports of bias in some title VI funded activities and programs. The committee believes that students' interests are best served when they are exposed to a variety of perspectives on topics under consideration, particularly those that are controversial. Accordingly, under some grant programs, the committee now requires grant applicants to describe in their applications how activities will reflect diverse perspectives and how each grantee will address potential disputes concerning the extent to which diverse perspectives are reflected. While it is the committee's intent that such disputes be resolved at the campus level, if such complaints are not resolved under the process outlined in a grantee's application and such complaint is then filed with the Department, the Secretary shall review the request and take into account the outcomes of such proceedings when determining the renewal of grants.

INTERNATIONAL AND FOREIGN LANGUAGE STUDIES

Consultation

The committee recognizes that programs and grants under this title focus on a variety of world regions, foreign languages, and international subjects. To ensure that grants are appropriately focusing on areas of national need, the Secretary is directed to consult with and receive recommendations from the Secretary or designees of a wide range of Federal agencies, such as the National Security Council, the Department of Homeland Security, the Department of Defense, the Department of State, the Federal Bureau of Investigation, the Department of Labor, the Department of Commerce and the Director of National Intelligence, on what these areas of national need should be. These entities are also required to inform the Secretary of how they utilize the expertise and resources provided by grantees under this title. The Secretary must take such recommendations and information into account when requesting applications for funding, and make available to applicants a list of areas identified as areas of national need. The committee believes such consultation and information sharing is particularly important in light of the war on terror, the growing range of security threats, increasing global economic competition, the recently documented shortages of individuals proficient in critical foreign languages across public and private sectors and the need for greater mutual understanding between the U.S. and other nations and cultures.

Survey

To better gauge the impact of programs funded under this title in meeting national needs for expertise in foreign languages and world regions in various sectors, the committee directs the Secretary to assist relevant grantees in developing a survey to administer as appropriate to students who have participated in Title VI programs to determine post-graduation placement. The committee wishes to determine the number of students pursuing public service, including government service, health careers, careers in international organizations, businesses or nonprofits, and careers in research, as well as advanced education or other activities. The committee is particularly interested in determining the extent to which students utilize the knowledge and skills gained through participation in title VI programs in ways that contribute to meeting national needs.

Graduate and Undergraduate Language and Area Centers and Programs

The committee has made several improvements to strengthen the Graduate and Undergraduate Language and Area Centers and Programs. Authority is added clarifying that the National Language and Area Resource Centers may use title VI funds for the purpose of hiring instructors of less commonly taught languages. This change addresses the increased demand for courses offering rare languages related to national security interests and for which faculty may not be readily available. Revisions to current law also permit additional grants to the National Language and Area Resource Centers to strengthen outreach to State and local school districts. The committee has restored eligibility of undergraduate students to receive Foreign Language and Areas Studies (FLAS) fellowships. Permitting undergraduate students to receive these fellowships serves the national interest by supporting early language and world area study to help individuals achieve high levels of proficiency in the less commonly taught languages. The committee intends that undergraduate students be allowed to use FLAS fellowships in the United States and abroad for intermediate or advanced study of the less commonly taught languages and of foreign cultures. The committee recognizes that foreign immersion experiences are critical for achieving high levels of proficiency in the less commonly taught languages, which are important to the Nation's national security interests.

Undergraduate International Studies and Foreign Language Programs

The committee modified the Undergraduate International Studies and Foreign Language Programs to increase the cap on funding for this section to 20 percent. Institutional grants for enhancing the international dimension of undergraduate education are critical to increasing the number of Americans in the pipeline to foreign language fluency and international knowledge. Given current shortages of such personnel throughout government, education and the professions, the committee believes increased funding should be permitted to respond to rising demand. The committee urges the Department of Education 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 curriculum. Additionally, the committee revised current law to allow up to 10 percent of a project's funds to be used for sending undergraduate students on educational programs abroad that are closely linked to the project's goals and have the purpose of enhancing foreign language proficiency and deepening cultural knowledge.

Research and studies

The committee recognizes that international and foreign language education represents an evolving field in the United States, one with increasing importance for the national interest. The Research and Studies program plays an important role in enhancing international and foreign language education. The committee urges the Secretary to engage in data collection and analysis of international education and foreign language needs and outputs on an ongoing and systematic basis, and to regularly make the results publicly available. The committee also encourages the Secretary to consider projects that assess the impact of student learning abroad, develop proficiency assessments for the less commonly taught languages where not in existence, assess the relationship between gains in foreign language proficiency and cultural learning, and assess the use of technology for language acquisition and proficiency.

Technological Innovation and Cooperation for Foreign Information Access

The committee updated and strengthened the Technological Innovation and Cooperation for Foreign Information Access program. The committee added nonprofit educational organizations as eligible grant recipients in consortia with institutions of higher education and/or public or private non-profit libraries. The committee also clarified that funds may be used for the acquisition of printed materials from abroad for the purposes of this section. Currently authorized activities, such as applying new technologies to indexing, cataloging, preserving, disseminating, and providing access to foreign materials, require that the materials be available. The committee added new authorized activities for establishing linkages with institutions abroad that facilitate access to foreign information and provide the Department of Education flexibility to establish new activities deemed useful for carrying out the purposes of the section.

BUSINESS AND INTERNATIONAL EDUCATION PROGRAMS

No alterations were made to the Business and International Education Programs. The main purpose of the business and international education grants has been to support programs of local and State scope.

Institute for International Public Policy

The changes to the Institute for International Public Policy (IIPP) grant program reflect the committee's belief in the continued importance of increasing the number of African-Americans and other underrepresented minorities in the international service.

Minority Foreign Service Professional Development Program

The committee included language that permits the Secretary of Education to waive or reduce the non-Federal matching share requirement of the eligible recipient. This will permit the successful grantee to implement all of the objectives set forth in part C with both federally appropriated funds and private in-kind and cash contributions in a post-9/11 world.

Institutional development

The committee added language to clarify that the academic programs intended to receive support through the grants awarded by the Institute are international affairs, international business, and foreign language study programs. In an era of globalization where public policy is often driven by private sector considerations, it is important that IIPP's program of training and capacity building encompass the fullest range of issues and subject matter.

Advanced degree in international relations

The committee wishes to allow eligible students to earn a doctoral degree, where appropriate, instead of the master's degree mandated by current law. The current program limitation to offering master's degrees may not be appropriate for some students in certain fields of study. The addition of the doctoral degree will not only increase the number of minority Ph.D. experts, especially in areas relating to national security, it will increase the depth and breadth of national security and international affairs expertise from which the Nation can benefit.

Financial assistance

To support the goal of increasing the representation of African-Americans and other underrepresented minorities in international service, the committee included provisions relating to financial support for students. Under the new provisions, students will be eligible to receive summer stipends to help defray costs for participation in the summer institute funded under this part. The committee also authorized a Ralph Bunche scholarship to help finance the education of students enrolled in programs funded under this part. The scholarship honors the life and career of Ambassador Ralph Bunche, who became the first person of color to receive the Nobel Peace Prize in 1950. The committee finds it fitting that a scholarship to foster greater participation in international service by African-American and other underrepresented students of color should be named after Mr. Bunche.

GENERAL PROVISIONS

The committee added new sections to the General Provisions to allow the Department of Education discretionary funding (up to 1 percent of title VI appropriations) for evaluation, national outreach, and information dissemination. The committee urges the Department to increase outreach to the higher education community about the funding opportunities available under title VI, as well as to find new ways to provide greater national accessibility to and awareness of the expertise and knowledge that these programs produce.

Title VII—Graduate and Postsecondary Improvement Programs

GRADUATE EDUCATION PROGRAMS

Graduate and professional education programs in the United States are respected and emulated worldwide. They attract and educate the best and brightest domestic and international students. Our unique system of combining graduate education with teaching and research strengthens the American education system, while producing highly educated individuals who will become the next generation's leaders in education, government, medicine, and industries vital to our Nation's competitiveness, economy, security, and well-being.

Unlike graduate education programs in other Federal agencies, the Department of Education's programs provide support for the entire range of academic disciplines, including the sciences, arts, social sciences, and the humanities. The Department currently administers two graduate programs: Graduate Assistance in Areas of National Need (GAANN) and Jacob K. Javits Fellowships. GAANN provides traineeships to students of superior academic ability in academic departments at universities that offer a course of study that leads to a doctoral degree in an area of national need designated by the Secretary of Education. The Javits program competitively awards portable fellowships to top graduate students pursuing a doctoral or the highest degree possible in the arts, humanities or social sciences.

The committee endorses the goals and success of the GAANN and Javits programs and seeks to further strengthen their achievement and purpose. It is the intent of the committee to make additional changes to Javits to ensure the diversity of its Fellowship Board in terms of institution type, range of disciplines, minority status and geographic location. The committee also seeks to establish parity between the GAANN and Javits award amounts and the National Science Foundation's Graduate Research Fellowship Program.

In determining current and future areas of national need, the committee directs the Secretary to consult with various Federal and nonprofit agencies and organizations. The committee instructs the Secretary to also give serious consideration to employment projections by the U.S. Bureau of Labor Statistics in assessing current and future professional workforce needs, and to designate fields experiencing significant shortages, such as registered nursing and elementary and secondary education, as areas of national need. In addition, the committee directs the Secretary to establish a priority for grants in those areas of national need where there are significant professional workforce shortages.

FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION

There are a variety of issues and problems impacting postsecondary education. The Fund for the Improvement of Postsecondary Education (FIPSE) was created to identify new ideas and practices to address these concerns. The FIPSE program awards grants designed to support innovative reform projects to resolve relevant issues and problems impacting postsecondary education. Since its inception in 1973, FIPSE has provided grants to some of the boldest innovators in education. The committee supports the mission

and purpose of FIPSE and expands several of its provisions, including the areas of national need under special projects.

The committee anticipates that one of the new activities provided through special project grants will improve secondary school graduation and college attendance and completion rates for disadvantaged students. While there are many secondary school reform models that could meet this eligibility requirement, the committee would like to make note of one particular model program called Project GRAD. Project GRAD is a comprehensive, cost-effective program with a record of improving the academic achievement and college access of students from low-income backgrounds. Project GRAD's integrated approach to teaching and learning includes working with an entire feeder system in a school district, the local non-profit Project GRAD organization, community involvement and collaboration, and existing assets. Project GRAD delivers a comprehensive set of research-based programs in reading, mathematics, classroom management, social services/parent involvement, and college preparation. In addition, Project GRAD provides a 4-year college scholarship to all students who qualify. It is this unique structural approach that contributes to higher academic standards and offers the dream of graduation and college to all the students within a feeder system, or even an entire district.

Members of the committee are also aware of the special project grant awarded to the Shepherd Program at Washington and Lee University and support its efforts to coordinate and expand its activities, through the Shepherd Consortium of colleges and universities, to provide an integrated curricular and co-curricular interdisciplinary study focusing on poverty and human capability for university and law students with internships in non-profit agencies in disadvantaged communities. The Consortium will include, among others, Georgetown University, Vanderbilt University, Berea College, Morehouse College, Spelman College, Middlebury College, Morgan State University, the University of Arkansas at Little Rock, and the University of Richmond. The Secretary is authorized to make grants under FIPSE for the Shepherd Consortium. Members of the committee envisioned, in the development of this provision, the Shepherd Consortium's combined approach of core academic curricula with service learning internships, as a means to assist those in disadvantaged communities.

Similarly, Members are aware of the Single Parent Program at Endicott College, which has worked for many years to improve higher education access and completion rates for single parents. The committee believes Endicott is singularly well-suited to organize and implement the center for best practices to support single parent college students authorized under FIPSE.

The committee recognizes the significant impact that Federal regulations across the government have on the smooth operation of institutions of higher education. In order to help institutions of higher education be better informed and understand their legal obligations and the scope and potential impact of Federal regulations on the institutions, the committee includes an authorization for a competitive grant or contract to an institution of higher education to maintain a comprehensive Web site that describes and explains the impact of Federal regulations, and notices of proposed rulemaking, on institutions of higher education.

DEMONSTRATION PROJECTS TO ENSURE STUDENTS WITH DISABILITIES RECEIVE A QUALITY HIGHER EDUCATION

Students with disabilities struggle to access and persist through higher education. Students with disabilities are 10 percent less likely to enroll in some form of postsecondary education compared to students without disabilities. They are much less likely to be qualified to enroll in postsecondary education than their counterparts without disabilities. Similarly, those students who enroll in postsecondary education are less likely than their counterparts without disabilities to stay enrolled in or earn a postsecondary degree or credential. Despite these shortcomings, those who do graduate go on to be quite successful in the workforce.

The committee recognizes the unique challenges students with disabilities face when trying to access higher education and their overall significance to our Nation's workforce. It is for this reason that the committee encourages institutions of higher education to decrease barriers to higher education for students with disabilities. The bill amends the authorized activities under part D by adding several provisions in which institutions of higher education may engage to accomplish this goal. The bill requires that the academic and programmatic needs of students with disabilities must be met as part of the development of innovative, effective, and efficient teaching strategies. The committee recognizes that the retention and completion rates of postsecondary programs for students with disabilities is quite poor, and added this provision in an attempt to improve such rates. The committee added language to address the insufficient postsecondary education and employment outcomes for students with disabilities by including the development of teaching strategies to ensure the successful transition of students with disabilities from secondary to postsecondary education, and aligned them with the new transition requirements in the Individuals with Disabilities Education Act and the Workforce Investment Act.

The committee also added a new data collection requirement. This provision, collecting data on employment outcomes of students with disabilities after the receipt of postsecondary education, was added to gain information on the employment outcomes of such education for students with disabilities. The committee intends that such research, information, and data will be made broadly accessible through means such as web-based clearinghouses, portals or other means of cataloging and making available collected information. The committee recognizes that the use and accessibility of technology can be a barrier to students with disabilities accessing distance learning courses.

The Disability Career Pathways activity was included to recognize the importance of developing the next generation of professionals to work with individuals with disabilities. It provides training for postsecondary staff to enable them to educate young people about disability related fields of study. As a result, it is expected that more individuals will pursue careers in these fields. The committee intends that activities authorized under this section will focus on making postsecondary education more accessible to students with disabilities through curriculum development. The Secretary of Education is required to review and disseminate a report of the demonstration project activities funded under this section to

provide guidance and recommendations to all institutions of higher education on how successful projects can be replicated.

Students with intellectual disabilities face even greater challenges entering postsecondary education programs than students with other disabilities. At the same time, the number of students with intellectual disabilities who are seeking to enter such programs is rising, and there is a need to expand the number of college- and university-based programs that are equipped to serve this special population of students. The committee notes that presently, only around 100 postsecondary education institutions offer programs that are geared toward students with intellectual disabilities. While a number of institutions have expressed an interest in developing such programs, these institutions require appropriate financial and technical support to do so. To that end, 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. 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. It is the committee's hope that these measures will result in a marked increase in the number of students with intellectual disabilities entering higher education, as well as an increase in these students' successful transition into the workforce.

Title VIII—Miscellaneous

MATHEMATICS AND SCIENCE SCHOLARS PROGRAM

This initiative is designed to encourage more high school students to take a rigorous secondary curriculum in math and science. The committee believes that this effort is necessary to encourage more students to become interested in these areas to continue to allow the United States to remain competitive internationally. The fields of math and science are critical to the economic growth and national security of the United States. Our economy today is more reliant on workers with greater quantitative skills, scientific knowledge and technological expertise. Unfortunately, the supply of these qualified workers here in the United States is not keeping up with business demand, forcing American industries to rely on foreign talent to fill the gaps.

According the National Center for Education Statistics, U.S. 4th graders score well in math and science against international competition, but they fall near the bottom by 12th grade in these subject areas. This may be due in part to the small number of high school students taking advanced math or science courses. A report from the Task Force on Mathematics and Science Achievement suggests that most U.S. high school students take no advanced science courses, with only one-quarter enrolling in physics and one-half in chemistry. In addition, while most countries introduce algebra and geometry in the middle grades, only one in four U.S. students take algebra before high school. Further, approximately 90 percent of U.S. high school students stop taking math before getting to calculus.

With limited Federal resources, it is imperative that we make wise investments and target funding to those areas that are critical to our Nation's future. The committee believes the new Math and Science Scholars Program is one such wise investment. It is a competitive grant program to award merit-based scholarships to eligible students who complete a rigorous high school curriculum in mathematics and science. Students are eligible to receive a scholarship of up to $1,000 per year for up to 2 years of undergraduate study. Eligible students must be in their first or second year to receive a scholarship.

The committee also believes that State involvement in this new program is critical to its success. States will be required to match at least 50 percent of the Federal funds to participate. The committee believes that States should also be given flexibility in tailoring the scholarship program to State standards or needs. Participating States, not the Federal Government, will determine what constitutes a rigorous high school curriculum in math and science. States may also set a priority in awarding these grants to eligible students, but such a priority is not required. Such priority could be to respond to specific needs in areas of the State or to address attracting students from groups underrepresented in the math and science fields. These provisions are designed to require participating States to make the commitment to a strong math and science curriculum at the secondary level and ultimately attract more students to pursue these fields.

POSTSECONDARY EDUCATION ASSESSMENT

There has been ongoing debate about the spiraling cost of college and the appropriate Federal role in addressing it. The purpose of this study is to give the public and the Congress an independent assessment of the financial factors associated with postsecondary tuition costs. The assessment will examine the key elements linked with the cost of tuition and identify and evaluate effective measures that may be utilized to control future postsecondary education costs. To carry out this study, the committee directs the Secretary to enter into a contract with an independent, bipartisan organization that has specific expertise in public administration and financial management, such as the National Academy of Public Administration. The results of this study will inform future discussion on college tuition and help future congresses examine this complicated issue with greater clarity.

JOB SKILL TRAINING IN HIGH-GROWTH OCCUPATIONS OR INDUSTRIES

The needs of today's workforce have created an increased demand on colleges to respond quickly to the education and specific skills training needs of businesses. These competitive grants will allow institutions of higher education that offer a 1- or 2-year program leading to a degree or certificate to work with local workforce boards to create innovative programs to respond to high-growth industries. Colleges could develop curricula or customize programs to match workers with the skills in demand in particular industries.

ADDITIONAL CAPACITY FOR R.N. STUDENTS OR GRADUATE-LEVEL NURSING STUDENTS

The United States is currently experiencing a health care crisis. There is a great shortage of Registered Nurses (R.N.s) in U.S. hospitals, yet nursing schools turn away 150,000 well-qualified applicants each year due to high education costs and a shortage of R.N. trainers. The committee believes that the solution is to educate and train more nurses. This new program will increase capacity for R.N. students through grants to colleges and universities to increase enrollment. Nursing programs will receive $3,000 per additional student to defray the increased costs required to admit and train that student. The committee expects that within 4 years, these grants will aid the graduation of over 10,000 additional nurses each year and increase the pool of teachers for R.N. education programs. The grants will address the serious nursing shortage in the U.S. by increasing the pipeline of nursing education programs.

AMERICAN HISTORY FOR FREEDOM

The American History for Freedom program will make competitive grants available to institutions of higher education for the purpose of establishing or strengthening programming in Traditional American History, Western Civilization, or Free Institutions. The program will help ensure that more postsecondary students have the opportunity to participate in courses of study and activities focused on these critical subjects, and that prospective teachers have access to a solid foundation of content knowledge.

The committee believes that it is important to preserve and defend our common heritage of freedom and civilization, and to ensure that future generations of Americans understand the importance of traditional American history and the principles upon which this Nation was founded and on which it continues to rely. In a time when our values and ideals are questioned, is also important to develop an understanding of the nature of free institutions, of the events and principles that brought them into existence, and of how they have been defended in the past.

TEACH FOR AMERICA

The committee establishes and authorizes grants for Teach for America, a national program that recruits recent successful college graduates to teach for up to 2 years in underserved communities in the United States. These funds will be used to recruit, select, train and support these graduates so they can be placed through an agreement in schools in districts with which there are agreements. In addition, these funds will support a study to assess the quality of the Teach for America participants.

PATSY T. MINK FELLOWSHIP PROGRAM

The committee bill includes authorization for a Federal fellowship program linked to service in the higher education professoriate. The Patsy T. Mink Fellowship program honors Congresswoman Patsy Mink of Hawaii, who served in the House of Representatives for more than 27 years. She was a faithful and dedicated member of the House Education and Labor Committee and

the Committee on Education and the Workforce during her service in the House. In addition to her role as a driving force and the author of Title IX of the Education Amendments of 1972, which created equity in scholastics and in athletics for women and girls, including at colleges and universities, Mrs. Mink worked hard to expand educational opportunities at all levels for low-income, minority, educationally-disadvantaged, first-generation, and disabled students.

The committee believes that it is fitting that a program designed to enhance the presence of minorities and women in the higher education professoriate should bear Mrs. Mink's name. A recent Woodrow Wilson National Fellowship Foundation report, Diversity and the PhD: A Review of Efforts to Broaden Race and Ethnicity in U.S. Doctoral Education, documents the under-representation of minorities receiving doctorates. The Mink Fellowship program will not only contribute to student persistence in obtaining the doctorate, but also will encourage students to continue in the professoriate beyond the service requirement mandated by law.

IMPROVING COLLEGE ENROLLMENT BY SECONDARY SCHOOLS

The committee recommends that the Department collect, in full compliance with FERPA, college enrollment by secondary institution and graduation year from postsecondary institutions via the Integrated Postsecondary Education System (IPEDS), and diploma recipients by secondary institution and graduation year from States via the Common Core of Data (CCD), both of which are existing data-collection systems within the National Center for Education Statistics.

The committee intends for these data to be used purely as a tool for secondary institution leaders to measure the success of their initiatives and innovations aimed at increasing college enrollment. Data provided under this provision are not intended to be used by Federal, State, or local governments to hold schools, their administrators, teachers or staff, accountable or suffer any repercussions as a result of the data. The committee specifically opted to make trend data rather than absolute numbers available to allow for examination of progress over time rather than comparisons between schools.

The committee recommends that the Department contract with College Summit, Inc. to calculate and make publicly available year-to-year college enrollment rate trends by secondary institution because College Summit is the preeminent national non-profit organization concentrating on increasing college enrollment rates in low-income communities, working both multi-state and schoolwide.

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 more institutions, serving 265,000 students, would be eligible for these monies if this issue were addressed. As such, the bill extends the college access grants to Predominantly Black Institutions (PBIs). The allocation formula will be similar to 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.

EARLY CHILDHOOD EDUCATION PROFESSIONAL DEVELOPMENT AND CAREER TASK FORCE

To ensure that our students are prepared to meet the challenges of our world economy, we must improve the quality of education at all levels. This begins with early education. The committee recognizes that investing in early education will have compounding benefits for students in subsequent years of schooling. To do this we must address the serious teacher training and retention problem in early education.

This bill authorizes the Secretary to award State grants to improve the quality of the early education workforce by creating a statewide early childhood education professional development and career task force. State task forces will conduct a review of the opportunities for and barriers to higher education degree programs and develop a comprehensive statewide professional development and career system for individuals working in childhood education programs. The committee believes that these task forces will be integral to improving early childhood educator training, compensation, and retention.

IMPROVING SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS EDUCATION WITH A FOCUS ON ALASKA NATIVE AND NATIVE HAWAIIAN STUDENTS

The committee notes the lack of Alaska Native and Native Hawaiian professionals in the fields of science, technology, engineering, and mathematics and the under representation of Alaska Native and Native Hawaiian students in programs designed to increase competitiveness in Science, Technology, Engineering, and Mathematics (STEM) fields. The committee has, therefore, included an authorization for an initiative to provide academic and other supports to assist students, from early grades through college graduation, to be prepared to enter STEM professions. The committee intends that this new initiative will further develop or expand existing programs which are specifically designed to develop Alaska Native and Native Hawaiian professionals in the STEM fields.

PILOT PROGRAM TO INCREASE PERSISTENCE IN COMMUNITY COLLEGES

Unfortunately, many high school graduates with young families live below 200 percent of the poverty line and struggle to afford, attend, and graduate from college. Nearly half of the students who begin their postsecondary education at a community college do not obtain a degree and are not enrolled in any institution of higher education 6 years later. Many community college students have poor academic preparation, have difficulty paying for college and feel unsupported on campus. At least one study has shown that changes in institutional practices can lead to better student outcomes. This pilot program, modeled after recent studies at some

community colleges, will provide scholarship funds ($1,000 a semester, up to two semesters) and dedicated counseling services to eligible students at community colleges. Participating institutions will conduct random assignment evaluations and the Secretary will make best practices lessons learned information available to the public. The committee expects that the incentive-based scholarship program and supplemental counseling services will boost persistence rates for this disadvantaged population.

STUDENT SAFETY AND CAMPUS EMERGENCY MANAGEMENT

Recent events such as the tragedy at Virginia Tech and Hurricane Katrina highlight the important role that colleges and universities have in protecting students from safety and security risks. The committee believes that it is the responsibility of the Federal Government to provide colleges and universities with the help and support they need to try to prevent such tragedies where possible, and to protect their students in the event a tragedy does occur. The new program helps colleges improve campus safety by conducting security assessments and training security personnel, developing emergency communications and response systems, coordinating with local emergency response efforts, and ensuring students have access to adequate mental health services, including crisis response services.

Title IX—Amendments to Other Laws

EDUCATION OF THE DEAF ACT OF 1986

Coordination with the No Child Left Behind Act and accountability for student outcomes

The committee strengthens the accountability of Gallaudet's elementary and secondary schools by aligning such requirements with the accountability requirements in the No Child Left Behind Act of 2001 (P.L. 107–110). Specifically, this provision requires Gallaudet to select the academic content, achievement, and assessment standards of a State approved by the Secretary of Education as its own, and implement such standards as its own by the 2008–2009 school year and determine whether such programs are making adequate yearly progress. The committee believes that allowing Gallaudet to choose the approved standards from a State will relieve the University of the expensive and time-consuming task of having to develop its own standards and assessments for one small school. This would provide a basis of comparison for the achievement of students in the Gallaudet program that would otherwise be lacking. Additionally, this requirement would make the State's definition of "adequate yearly progress" applicable to the University's K–12 education program. Again, the committee believes that this would ensure that the educational accountability provisions applicable to that program reflect the No Child Left Behind Act's principle that children with disabilities should be held to the same academic expectations as all other children.

Naming the Rochester Institute of Technology in the act

Because of the longstanding relationship between the Rochester Institute of Technology (RIT) and the National Technical Institute

for the Deaf (NTID), the committee names RIT as the entity the Secretary enters into or continues an agreement with for the establishment and operation of NTID. Furthermore, the committee permits the Secretary to enter into an agreement with another institution of higher education if the Secretary or RIT terminates the agreement. However, it is the intent of the committee that the Secretary will not terminate the agreement with RIT without just cause.

Cultural experience grants

The committee has authorized funding for grants to nonprofit organizations in order to enrich the cultural experiences for deaf and hard of hearing children and adults through exposure and access to professional theatre. The committee believes that nationally recognized programs such as Deaf West Theatre and the National Theater of the Deaf have a long history of providing such programming to these audiences, and would be appropriate recipients for these grant funds.

Audit reporting

The committee amends current law to ensure that the Department of Education receives an independent financial and compliance audit of the National Technical Institute for the Deaf (NTID). In order for the audit to be meaningful and useful to the Department, it is necessary to have the audit follow the cycle of the Federal fiscal year. The bill ensures the audit period and the fiscal year are the same.

Outcome reporting

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.

Surcharges for international students

The committee acknowledges that Gallaudet University and NTID are the only liberal arts universities in the world designed exclusively for deaf and hard of hearing students, and that the 100 percent surcharge for such students is a barrier to attendance for international students. Although Gallaudet and NTID have the capacity to serve additional international students, the committee also recognizes its commitment to students from the United States who are deaf, and assuring that United States tax dollars are spent on providing educational opportunities for United States citizens first. Therefore, the committee authorizes Gallaudet and NTID to create a fee system in which students from non-developing countries must pay the 100 percent surcharge. However, if such a student can demonstrate need, he or she may have the surcharge reduced by up to 50 percent. Furthermore, a student from a developing country must pay a 50 percent surcharge. If such a student can demonstrate need, he or she may have the surcharge reduced by 50 percent, but must pay a minimum surcharge of 25 percent.

Because of the initial costs associated with developing a distance learning course, international students living outside of the United States would not have to pay a surcharge nor count toward the enrollment cap for international students.

UNITED STATES INSTITUTE OF PEACE

Board of directors

The committee clarifies that the term of a board member begins when the member is confirmed by the Senate and sworn in, not when the board member's nomination is made public. Confusion over the interpretation of this provision had led to vacancies on the Institute's board, and also unnecessarily shortened the term of service of some board members. The committee expects this clarification to resolve any outstanding concerns over board appointments, and that it be applied retroactively to board members sworn-in in 2007.

Application of GEPA

The committee clarifies that certain provisions under the General Education Provisions Act (GEPA) apply to the United States Institute of Peace, allowing the Institute to continue to receive appropriations for 1 fiscal year after the expiration of the authorization, pursuant to the authority provided under the GEPA for Federal education programs.

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 the many different Federal programs providing assistance to tribally controlled colleges and universities. The committee recognizes the challenges created for these institutions by having several 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 (Public Law 92–189; 25 U.S.C. 640a et seq.). 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 Naagháí 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 this 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.

V. Cost Estimate

U.S. Congress,
Congressional Budget Office,
Washington, DC, November 14, 2007.

Hon. Edward M. Kennedy,
Chairman, Committee on Health, Education, Labor, and Pensions, U.S. Senate, Washington, DC.

Dear Mr. Chairman: The Congressional Budget office has prepared the enclosed cost estimate for S. 1642, 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 for this estimate is Jessica Sherry.

Sincerely,

Peter R. Orszag,
Director.

Enclosure

S. 1642—Higher Education Amendments of 2007

Summary: S. 1642 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 programs and amend several other acts, including the Education of the Deaf Act of 1986 and the United States Institute of Peace Act. The bill would authorize the appropriation of such sums as may be necessary to carry out those programs.

CBO estimates that enacting S. 1642 would increase direct spending by $75 million in 2008 and would have a negligible effect on such spending over the 2008–12 and 2008–17 periods. Assuming the appropriation of the necessary funds, CBO estimates that implementing S. 1642 would increase discretionary outlays by $1.9 billion in 2008 and $53.2 billion over the 2008–12 period.

S. 1642 contains an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA) because it would preempt certain State contract laws as they apply to Perkins educational loans. CBO estimates that the costs, if any, to State governments to comply with the preemption would be minimal and would not exceed the annual threshold established in UMRA ($66 million in 2007, adjusted annually for inflation). The bill contains no private-sector mandates, as defined in UMRA.

Estimated cost to the Federal Government: The estimated budgetary impact of S. 1642 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 S. 1642

	By fiscal year, in millions of dollars—					
	2008	2009	2010	2011	2012	2008–2012
CHANGES IN DIRECT SPENDING [1]						
Estimated Budget Authority	*	*	*	*	*	*
Estimated Outlays	75	*	−50	−25	*	*
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Title I:						
Estimated Authorization Level	4	3	3	3	3	16
Estimated Outlays	1	2	2	3	3	11
Title II:						
Estimated Authorization Level	87	90	96	103	113	490
Estimated Outlays	4	64	82	94	101	346
Title III:						
Estimated Authorization Level	463	480	505	539	585	2,573
Estimated Outlays	23	339	435	498	530	1,826
Title IV:						
Estimated Authorization Level	8,462	10,062	11,798	13,687	14,386	58,396
Estimated Outlays	1,509	8,351	10,330	12,192	13,812	46,195
Title V:						
Estimated Authorization Level	112	116	123	133	146	631
Estimated Outlays	6	82	106	122	130	445
Title VI:						
Estimated Authorization Level	126	131	138	149	164	708
Estimated Outlays	6	92	118	136	146	500
Title VII:						
Estimated Authorization Level	154	160	169	183	201	866
Estimated Outlays	8	113	145	167	179	611

TABLE 1.—ESTIMATED BUDGETARY IMPACT OF S. 1642—Continued

	By fiscal year, in millions of dollars—					
	2008	2009	2010	2011	2012	2008–2012
Title VIII:						
Estimated Authorization Level	347	355	376	406	445	1,930
Estimated Outlays	17	254	323	371	398	1,363
Title IX:						
Estimated Authorization Level	362	375	404	428	460	2,029
Estimated Outlays	282	350	385	414	442	1,873
Total:						
Estimated Authorization Level	10,117	11,773	13,614	15,631	16,503	67,638
Estimated Outlays	1,857	9,646	11,925	13,998	15,742	53,169

[1] In addition, S. 1642 would affect direct spending by less than $500,000 over the 2008–2017 period.
Note:—* =between $500,000 and $500,000; components may not sum to totals because of rounding.

Basis of estimate: For this estimate, CBO assumes that S. 1642 will be enacted by the end of calendar year 2007 and that sufficient funds will be appropriated for each program. For current programs that would be reauthorized in their current form, CBO assumes continued funding at their 2007 levels and adjusts for inflation in future years.

Direct spending

The bill would make several changes to eligibility rules for the Academic Competitiveness and SMART Grant programs, and to the calculations of the needs analysis and rules for student and institutional eligibility for the federal student loan 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 has the authority to reduce award levels to stay within the appropriation. CBO estimates these changes would increase outlays by $75 million in fiscal year 2008 and would reduce outlays by the same amount in future years. There would be no net impact on Federal spending over the 2008–17 period. All other changes to direct spending programs would have a negligible effect on outlays.

The changes to eligibility also would affect discretionary spending in the Pell Grant program but those changes would affect discretionary spending. (If appropriations for the Department of Education for fiscal year 2008 are enacted prior to the enactment of S. 1642, any changes to the Pell Grant program for 2008 would result in direct spending in 2008.)

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 create a number of new discretionary programs. For most of those programs, the bill would authorize the appropriation of such sums as may be necessary for each year through 2013. However, authorizations would automatically be extended through 2014 based on rules set forth in the General Education Provisions Act. S. 1642 also would introduce several new programs and amend several other acts, including the Education of the Deaf Act of 1986 and the United States Institute of Peace Act. In total, CBO esti-

mates that implementing this legislation would increase outlays by $1.9 billion in 2008 and $53.2 billion over the 2008–12 period, assuming appropriation of the necessary amounts.

Title I: General Provisions. Title I would create several programs designed to provide grants to institutions for the development of information systems. CBO estimates that providing those grants would increase outlays by $1 million in 2008 and $11 million over the 2008–12 period, assuming the availability of appropriated funds.

Title II: Teacher Quality Enhancement. Title II would reauthorize and amend a program that provides grants to eligible partnerships of State and local educational agencies, schools, businesses, and nonprofit education organizations for teacher recruitment and professional development. CBO estimates that reauthorizing title II would increase outlays by $4 million in 2008 and $346 million over the 2008–12 period, assuming appropriation of the necessary amounts.

Title III: Institutional Aid. The bill would reauthorize and amend institutional aid programs and would create several new programs that would offer further institutional aid. Title III programs are designed to give financial assistance to institutions of higher education that serve a high percentage of minority students with low income and to help those institutions develop and improve the quality of education they offer students. Implementing title III would increase outlays by $23 million in 2008 and $1.8 billion over the 2008–12 period, assuming appropriation of the necessary amounts.

Title IV: Student Assistance. S. 1642 would reauthorize and revise the current student assistance programs, including Pell Grants, and also would create new student assistance programs to provide financial assistance to specific populations of students pursuing higher education. The estimated costs for Pell Grants are based on current law including recent changes under Public Law 110–84, which was enacted on September 27, 2007. CBO estimates that reauthorizing title IV would increase outlays by $1.5 billion in 2008 and $46.2 billion over the 2008–12 period, assuming appropriation of the necessary amounts.

Title V: Developing Institutions. Title V would reauthorize the Developing Institutions program, which provides grants to institutions that serve Hispanic students to help those institutions expand and improve educational opportunities for Hispanic Americans. CBO estimates that reauthorizing title V would increase outlays by $6 million in 2008 and $445 million over the 2008–12 period, assuming appropriation of the necessary amounts.

Title VI: International Education Programs. Title VI would reauthorize and revise the international education programs. Those programs provide for the development of programs, centers, fellowships, and research projects that allow more citizens to gain knowledge about other world regions and expertise in foreign languages and international affairs. CBO estimates that reauthorizing those programs would increase outlays by $6 million in 2008 and $500 million over the 2008–12 period, assuming appropriation of the necessary amounts.

Title VII: Graduate and Postsecondary Improvement Programs. Title VII would reauthorize and amend programs that would estab-

lish national graduate fellowships that are designed to attract students to complete advanced degrees in areas of national need. CBO estimates that reauthorizing this title would increase outlays by $8 million in 2008 and $611 million over the 2008–12 period, assuming appropriation of the necessary amounts.

Title VIII: Miscellaneous. S. 1642 would add title VIII to the Higher Education Act of 1965. New programs under that title would provide financial assistance to institutions of higher education to develop their capacity to serve specific populations of students, organizations working to expand their educational programs, and students pursuing certain areas of study. CBO estimates that implementing. title VIII would increase outlays by $17 million in 2008 and $1.4 billion over the 2008–12 period, assuming appropriation of the necessary amounts.

Title IX: Amendments to Other Laws. Title IX would make amendments to laws other than the Higher Education Act of 1965. The amendments would affect the Education of the Deaf Act of 1986, the United States Institute of Peace Act, the Higher Education Act of 1998, and the Indian Postsecondary Education programs run by the Bureau of Indian Affairs. CBO estimates that implement Title IX would increase outlays by $282 million in 2008 and $1.9 billion over the 2008–12 period, assuming appropriation of the necessary amounts.

Intergovernmental and private-sector impact: S. 1642 contains an intergovernmental mandate as defined in UMRA because it would 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. This defense has been used by some borrowers of education loans. If this bill is enacted, those State laws would no longer apply to contracts for Perkins loans. CBO estimates that the costs, if any, to State governments to comply with that preemption would be minimal and would not exceed the annual threshold established in UMRA ($66 million in 2007, adjusted annually for inflation). The provision would benefit public and private colleges and universities that are trying to collect repayments on loans that would otherwise be disputed under State law.

In general, State, local, and tribal governments would benefit from the continuation and expansion of existing programs and the creation of new programs that provide Federal assistance for higher education programs. The bill contains no private-sector mandates, as defined in UMRA.

Comparison with S. 1642 as passed by the Senate: S. 1642 as passed by the Senate on July 24, 2007, includes several amendments made to the version of bill as reported on July 10, 2007. The amendments would make changes to programs under title I and title IV and add new programs under title VIII and title IX. Assuming appropriation of the estimated amounts, CBO estimates that S. 1642 as passed by the Senate would increased discretionary outlays by an additional $16 million in 2008 and by $1.3 billion over the 2008–12 period, as shown in Table 2. The amendments in the version passed by the Senate would have a negligible effect on direct spending and would not affect revenues.

TABLE 2.—CHANGES IN SPENDING UNDER S. 1642 AS PASSED BY THE SENATE

	By fiscal year, in millions of dollars—					
	2008	2009	2010	2011	2012	2008–2012
CHANGES IN SPENDING SUBJECT TO APPROPRIATION [1]						
Title I:						
Authorization Level	*	*	0	0	0	1
Estimated Outlays	*	*	0	0	0	1
Title IV:						
Authorization Level	57	59	63	68	74	321
Estimated Outlays	3	42	54	62	66	227
Title VIII:						
Authorization Level	234	238	247	262	282	1,262
Estimated Outlays	12	171	216	245	258	901
Title IX:						
Authorization Level	35	36	39	42	46	197
Estimated Outlays	2	26	33	38	41	139
Total:						
Authorization Level	326	333	348	371	402	1,781
Estimated Outlays	16	238	303	345	365	1,268

[1] Changes are relative to S. 1642 as ordered reported on July 10, 2007.
Note.— * = between −$500,000 and $500,000; components may not sum to totals because of rounding.

Estimate prepared by: Federal Costs: Discretionary Costs—Jessica Sherry, Mandatory Costs—Justin Humphrey, 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.

VI. Application of the Law to the Legislative Branch

Section 102(b)(3) of Public Law 104–1, the Congressional Accountability Act (CAA), requires a description of the application of this bill to the legislative branch. S. 1614 does not amend any act that applies to the legislative branch.

VII. Regulatory Impact Statement

The committee has determined that the bill may result in some additional paperwork, time, and costs to the Department of Education, which would be entrusted with implementation and enforcement of the act. It is difficult to estimate the volume of additional paperwork necessity by the bill, but the committee does not believe it will be significant. Pursuant to the requirements of paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the committee has determined that the bill will not have a significant regulatory impact.

VIII. Section-by-Section Analysis

Title I—General Provisions

Section 101. Additional definitions

Section 101 defines or redefines a series of terms. The term "authorizing Committees" means the Committee on Health, Education, Labor, and Pensions of the Senate and the Education and Labor Committee of the House of Representatives. References to the "Chairman" or "Chairmen" now read "Chairpersons of the authorizing committees."

The term "critical foreign language" is defined as each of the languages contained in the list of critical languages compiled by the Secretary in the August 2, 1985 Federal Register, except that with respect to a specific title, the Secretary may set priorities according to the purpose of such title and the national security, economic competitive, and educational needs of the United States.

The term "distance education" is defined as a course or program that uses one or more kinds of technology to deliver instruction to students that are separated from the instructor, or to support interaction between the students and the instructor. Appropriate kinds of technology include the internet, one-way and two-way transmissions through open broadcasts, closed circuit, cable, broadband, fiber optics, or wireless communication devices, as well as video cassettes, DVDs, and CD–ROMs, as long as the video cassettes, DVDs, and CD–ROMS are used in conjunction with one of the previously-mentioned technologies.

Section 102. General definition of institution of higher education

Section 102 expands the definition of an institution of higher education to include institutions that award degrees that are acceptable for admission to graduate or professional degree programs, subject to the review and approval of the Secretary of Education. It also expands the definition of an institution of higher education to include a public or nonprofit private educational institution that admits as regular students those who are dually or concurrently enrolled in the institution and a secondary school.

Section 103. Definition of institution of higher education for purposes of title IV programs

Section 103 expands the definitions of "proprietary institution" and "postsecondary vocational institutions" to allow them to enroll persons who are dually or concurrently enrolled in the institution and a secondary school. This section also states that a graduate medical school located outside the United States that is considered an institution of higher education for purposes of title IV because it has or had a clinical training program that was approved by a State as of January 1, 1992, must have continuously operated such a program in at least one state that is approved by such state.

Section 104. Protection of student speech and association rights

Section 104 includes a Sense of Congress with regards to the following: diversity of institutions is a key strength of higher education; individual colleges and universities have different missions and each should design its academic program in accordance with its educational goals; colleges should facilitate free and open exchange of ideas; students should not be intimidated, harassed, discouraged from speaking out, or discriminated against; and students should be treated equally and fairly.

This section clarifies that this new language should not be construed to modify or infringe upon any constitutionally protected religious liberty, freedom, expression, or association; nor should it be construed to discourage the imposition of an official sanction on a student that has willfully disrupted a lecture, class, speech, presentation, or performance scheduled or made under the auspices of the

institution, provided that the imposition of the sanction is objective and fair.

Section 105. Accreditation and institutional quality and integrity advisory committee

Section 105 replaces the National Advisory Committee on Institutional Quality and Integrity with an Accreditation and Institutional Quality and Integrity Advisory Committee in the Department of Education to assess the process of accreditation and the institutional eligibility and certification of institutions of higher education under title IV. The committee shall advise the Secretary regarding the establishment and enforcement of the standards of accrediting agencies, recognition of a specific accrediting agency, the eligibility and certification process for institutions of higher education under title IV, recommendations to improve the process, and various other issues. The 15 members of the committee shall represent all sectors and types of institutions, and shall be appointed on the basis of the individuals' experience, technical qualifications, professional standing, integrity and impartiality. Five of the members shall be selected by the Secretary of Education; five shall be selected by the Speaker of the House of Representatives, upon recommendation by the majority and minority leaders of the House; and five shall be selected by the president pro tempore of the Senate, upon the recommendation of the majority and minority leaders of the Senate. The committee shall meet at least twice per year.

Section 106. Drug and alcohol abuse prevention

Section 106 establishes that in addition to current requirements that institutions of higher education must meet in order to be eligible for Federal funds or participation in title IV programs such institutions must also, as part of their biennial review of their program, determine the number of drug and alcohol-related incidents and fatalities that occur on the institution's property and are reported to the institution, and determine the number and type of sanctions that are imposed on students and employees as a result of drug- and alcohol-related incidents and fatalities that occur on the institution's property or as a part of any of the institution's activities.

Section 107. Prior rights and obligations

Section 107 extends the authorization of appropriations under Section 121 of the Higher Education Act of 1965 for fiscal year 2008 and succeeding fiscal years.

Section 108. Transparency in college tuition for consumers

Section 108 expands the information that the Secretary will make available to the public on an annual basis regarding college costs and academic programs. This section directs that the Bureau of Labor Statistics, in consultation with the Commissioner of Education Statistics and representatives of institutions of higher education, develop higher education price indices that accurately reflect annual changes in tuition/fees for undergraduate students attending various types of institutions. Indices shall be created for each type of institution described below, as well as for institutions as a whole.

The categories to be used for the indices are: all institutions of higher education; 4-year public degree-granting institutions; 2-year public degree-granting institutions; 4-year private degree-granting institutions; 2-year private degree-granting institutions; and less than 2-year institutions.

The Secretary shall annually report in both national lists and in separate lists for each State, a ranking of institutions of higher education according to the institutions' change in tuition and fees over the preceding 2 years, broken down by type of institution. The following categories of institutions are to be used for the report: 4-year public; 4-year private, non-profit; 4-year private, for-profit; 2-year public; 2-year private, nonprofit; 2-year private, for-profit; less than 2-year public; less than 2-year private, nonprofit; and less than 2-year private, for-profit. The Secretary shall compile separate lists for each category of institution: one based on the percentage change in tuition and fees over the preceding 2 years, and one based on the dollar change in tuition and fees over the preceding 2 years.

The Secretary shall also create, on an annual basis, Higher Education Price Increase Watch Lists, which shall include a ranking of each institution of higher education whose tuition and fees outpace the applicable price index for the type of institution as developed under this section. The Secretary shall compile such lists on a national basis and for each State. The lists will be compiled into a public document that will be widely disseminated in paper form and through the Department's website.

The Secretary shall also produce higher education appropriations charts for each State, which will show a comparison of the percentage change in State appropriations per enrolled student in a public institution of higher education, as compared 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. The Secretary shall also report on the total amount of need- and merit-based aid provided by the State to students enrolled in public institutions of higher education in the state.

The Secretary shall work with institutions to develop several model net price calculators to help students, families and consumers determine the net price of an institution of higher education, which institutions shall use, or create their own. Universities that receive Federal funding shall include in their application materials the most recent information about net price of the institution calculated for each quartile of students, based on the income of the student's parents or, in the case of independent students, on the income of the students.

The Secretary shall contract with an independent organization with demonstrated experience in creating consumer-friendly websites to improve the Department of Education's College Opportunities On-Line website.

The Secretary shall develop a model document, to be known as the "University and College Accountability Network" (UCAN), to annually report basic information about each institution that chooses to participate, to be posted on the college information website and made available to institutions of higher education, students, families, and other consumers. The document shall 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 at the institution.

Section 109. Databases of student information prohibited

Section 109 clarifies that nothing in the Act authorizes the development, implementation, or maintenance of a Federal database of personally identifiable information on individuals receiving assistance under this act or attending institutions receiving assistance under this act, such as a student unit record system, an education bar code system, or any other system that tracks individual students over time.

This does not prohibit States or consortiums of States from developing, implementing or maintaining State-developed databases that track individuals over time, including student unit record data systems.

Section 110. Clear and easy-to-find information on student financial aid

This section ensures that the Department of Education homepage contains a prominently displayed link to current student financial aid information. It requires the Secretary to improve the usefulness and accessibility of college financial planning and student financial aid information available on the website, and to conduct a major media campaign to publicize the availability of this information.

Section 111. Performance-based organization for the delivery of federal student financial assistance

Section 111 establishes that the functions of the Performance-Based Organization (PBO) in the Department of Education are now referred to as "administrative and oversight" functions, and not "operational." The Secretary will assist the Chief Operating Officer in identifying goals for administration of the systems used to administer the student aid programs and for updating such systems to current technology.

The PBO will be responsible for the administration of Federal student financial assistance programs, including the collection, processing and transmission of data to students, institutions, lenders, State agencies, and other authorized parties, and the design and technical specifications for software development and procurement for systems supporting the students financial assistance programs of title IV. The PBO will also be responsible for ensuring the integrity of the student assistance programs authorized under title IV.

The PBO will be responsible for developing an annual budget for its activities and functions. The Chief Operating Officer will now consult with students, in addition to other stakeholders including but not limited to borrowers, institutions, lenders, guaranty agencies, and secondary markets. The Chief Operating Officer is no

longer limited to appointing 25 technical and professional employees to administer the functions of the PBO.

Finally, the Chief Operating Officer will provide an annual briefing to the members of the authorizing committees on the steps the PBO has taken and is taking to ensure that lenders are providing required information on capitalization of interest with respect to student loans that are in forbearance and unsubsidized Stafford loans that are in deferment and on the benefits a Perkins borrower loses when a Perkins loan is included in a consolidation loan.

Section 112. Procurement flexibility

Section 112 directs that the PBO, through the Chief Operating Officer, utilize procurement systems that streamline operations, improve internal controls, and enhance management. The PBO shall also assess the efficiency of such systems and the systems' ability to meet PBO requirements.

This section also renames contracts awarded on a "sole-source basis" as contracts awarded on a "single-source basis." Such contracts are defined as those awarded to a source after soliciting an offer or offers from, and negotiating with, only that single source (although such source is not the only source in the marketplace capable of meeting the need), because such source is the most advantageous source for purposes of the award.

Section 113. Institution and lender reporting and disclosure requirements

Section 113 adds a new part on institution and lender reporting and disclosure requirements relating to educational loans to Title I of the Higher Education Act of 1965.

This section 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 shall include any employee or agent of such an institution, or any affiliated organization or entity. The term "educational loan" is defined to include loans made, insured, or guaranteed under Title IV of the Higher Education Act of 1965. An "educational loan arrangement" shall include an arrangement or agreement between a lender and a covered institution under which a lender provides or issues educational loans to the institution's students, and which relates to the institution recommending, promoting, endorsing, or using educational loans of the lender, and involves the payment of any fee or provision of other material benefit by the lender to the institution or its students. The term "lender" includes any lender of a loan made, insured, or guaranteed under part B of title IV that is a financial institution under section 509 of the Gramm-Leach-Bliley Act; the Secretary, in the case of a Direct Loan; and any individual, group, or entity acting on behalf of a lender in connection with an educational loan. The term "officer" includes a director or trustee of an institution.

This section requires that a covered institution that enters into an educational loan arrangement disclose the name of the lender in all documentation related to loans provided under such arrangement.

This section also requires that a lender must provide a student with a specific set of disclosures, in writing, before the lender may

provide a student with an educational loan. Such disclosures shall include clear statements of the interest rates of the educational loan being offered; sample educational loan costs, disaggregated by type, and for each type of loan being offered, the types of repayment plans that are available; and further information about terms and conditions of each loan, lender practices in cases of default, and possible benefits of each loan and the percentage of borrowers who received such benefits in the preceding academic year, among other information, as well as any additional information the Secretary may require in regulations.

Lenders are also required to report to the Secretary on an annual basis any reasonable expenses paid to specified employees of an institution under Sections 435 or 487 of the Higher Education Act of 1965, as amended by this Act (such as expenses paid for advisory board participation or professional development sponsored by lenders), including the amount of each instance in which the lender provided such reimbursement, the name of the recipient, the activity for which the reimbursement was made, and the dates of such activity. The Secretary shall annually report such information to Congress.

Finally, this section requires the Secretary to prepare a report on the adequacy of the information provided to students and their parents about educational loans. In preparing such report, the Secretary shall consult with students, representatives of covered institutions, lenders, loan servicers, and guaranty agencies. Such report shall include a consumer-friendly model format to be used by lenders and covered institutions that 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 their parents, disaggregated by each type of educational loans provided to such students or parents by the lender. Lenders shall be required to provide annually the information included in such model report to the Secretary and the covered institution for each type of educational loan provided by the lender. Institutions shall submit to the Secretary an annual report that includes, for each lender that has an educational loan arrangement with the covered institution and that has submitted to the institution the information required under subsection, the information included on the model format for each type of educational loan provided by the lender, and 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. The institution shall ensure such report 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 a loan. The Secretary shall encourage lenders and covered institutions to use the model format in preparing these reports.

Title II—Teacher Quality Enhancement

Part A—Teacher quality partnership grants

The purpose of title II is to improve student achievement and the quality of the Nation's teaching force by holding higher education institutions accountable for preparing teachers and promoting strategies to recruit and prepare qualified individuals.

Section 201. Teacher quality partnership grants

Section 201 limits the teacher quality grants in Part A of Title II of the Higher Education Act of 1965 to teacher quality partnership grants, eliminating state grants, and changes the terms of the grants as follows.

This section defines the term "induction program" as a formalized program for new teachers during at least the teachers' first 2 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 collaboration 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.

The term "teaching residency program" means a school-based teacher preparation program in which a prospective teacher teaches alongside a mentor teacher for 1 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.

This section defines "principles of scientific research" as research that applies rigorous, systematic and objective methodology to obtain reliable and valid knowledge relevant to education activities and programs; presents findings supported by the methods used; and includes other methods or elements as appropriate for the research being conducted. This section also defines "scientifically valid research" as applied, basic and field-initiated research in which the rationale, design and interpretation are soundly developed in accordance with accepted principles of scientific research.

Section 202. Partnership grants

Section 202 authorizes the Secretary to award competitive grants to eligible partnerships. Each application must 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. Applications must also include a resource assessment of the resources available to the eligible partnership and an evaluation plan. In addition, applications must 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; design, implement or enhance a yearlong rigorous and enriching pre-service clinical program; and collect, analyze, and disseminate data on teacher retention.

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, or both.

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, among other requirements. Such programs shall also include clinical experience and interaction, through the development and improvement of sustained and high-quality preservice clinical education programs, to further develop the teaching skills of all prospective educators. Such programs shall also 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, which may include bonus, differential or merit or performance-based pay.

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 2 years of teaching. Teaching residency programs shall provide 1-year living stipend or salary to teaching residents during the 1-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 3 or more years after completing the residency.

Section 203. Administrative provisions

Section 203 provides that grants available under this section shall be for 5-year periods, and that a partnership is eligible to receive only one grant during a 5-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 from broad-based partnerships that include business and community organizations and 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 for any partnership for any year if it would impose a serious hardship.

Section 204. Accountability and evaluation

Section 204 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.

Section 205. Accountability for programs that prepare teachers

Section 205 requires that all institutions of higher education that conduct a traditional teacher preparation program or alternative route to State certification and licensure, and that enroll students receiving Federal assistance under this Act, shall report the progress made towards specific measures for both their traditional teacher preparation programs and alternative routes.

States must 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 widely published, 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.

Section 206. State functions

Section 206 requires that States receiving funds under this section must 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.

Section 207. General provisions

Section 207 requires the Secretary to ensure that States and institutions of higher education use fair and equitable methods in reporting and that the reporting methods do not allow for identification of individuals.

Section 208. Authorization of appropriations

Section 208 authorizes such sums as may be necessary for fiscal year 2008 and the 5 succeeding fiscal years.

Title III—Institutional Aid

Section 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.

Section 302. Definitions; eligibility

Section 302 makes a technical change to existing law.

Section 303. American Indian tribally controlled colleges and universities

Section 303 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 may reserve 30 percent of a fiscal year's appropriated funds to award at least $1 million for maintenance and renovation at eligible institutions. Preference is given to a tribally controlled college or university that has never received an award under section 316.

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 remaining 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.

Section 304. Alaska native and native Hawaiian-serving institutions

Section 304 states that institutions may use grant aid for education or counseling services designed to improve financial literacy of students or their parents.

Section 305. Native American-serving, nontribal institutions

Section 305 authorizes a new grant program specifically for Native American-serving, nontribal colleges or universities. The Sec-

retary 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.

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 composed 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.

Section 306. Part B definitions

Section 306 adds the Commissioner for Education Statistics to the entities determining the "professional and academic areas in which Blacks are underrepresented."

Section 307. Grants to institutions

Section 307 expands the allowable uses of funds under this section, stating that institutions may be able to use grant aid for education or counseling services designed to improve financial literacy of students or their parents.

Section 308. Allotments to institutions

Section 308 establishes that in order to receive an allotment of funds, eligible historically black colleges and universities must provide institutional data on the number of enrolled Pell grant recipients and graduates from the past academic year as well as the number of graduates in the past 5 years who enrolled in a graduate or professional school.

Section 309. Professional or graduate institutions

Section 309 establishes that institutions may use grant aid for education or counseling services designed to improve financial literacy of students or 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 following seven universities are added to the list of qualified graduate programs: Alabama State University, Coppin State University, Prairie View A&M University, Fayetteville State University, Delaware State University, Langston University, and West Virginia State University.

The following two programs of instruction are added to the list of qualified graduate programs of instruction: law and psychometrics.

In determining awards, the Secretary shall consider the amount of non-Federal funds that come from the institution's own resources as well as private donors, State allocations and the amount of institutional funds designated for Federal matching dollars. In addition, the Secretary would determine funding based on the percentage that the number of the institution's Black American and minority

students who receive their first graduate or professional degree represents of the total number of Black American and minority students in the United States who earn their first graduate or professional degree.

Section 310. Authority of the Secretary

Section 310 requires the Secretary to submit to the authorizing committees within 1 year a report on the progress of the Department in implementing the Government Accountability Office's recommendations for improving the Historically Black College and Universities Capital Financing Program.

Section 311. Authorization of appropriations

Section 311 authorizes such sums as may be necessary for all programs under Title III of the Higher Education Act of 1965 for fiscal year 2008 and the 5 succeeding fiscal years.

Section 312. Technical corrections

Section 312 makes technical and conforming changes throughout title III.

Title IV—Student Assistance

Part A—Grants to Students in Attendance at Institutions of Higher Education

The purpose of part A is to increase participation of eligible students in higher education with grants for student financial assistance, State assistance and programs, special programs and projects, and institutions of higher education.

Section 401. Federal Pell grants

Section 401 raises the authorized level for a maximum Federal Pell grant for eligible students to $5,400 for academic year 2008–09; $5,700 for academic year 2009–10; $6,000 for academic year 2010–11; and $6,300 for academic year 2011–12. This section revises the minimum grant award from $400 to 10 percent of the maximum authorized award for an award year. Students eligible for an award less than 10 percent of the maximum award but more than 5 percent of the maximum award would receive an award equal to 10 percent of the maximum award.

The Secretary of Education shall allow eligible students seeking to enroll in additional academic sessions (e.g., year-round coursework or summer semester in addition to fall and winter semesters) to receive up to two Pell grants in a single award year. Students would need to be enrolled at least on a half-time basis in a 2- or 4-year program of instruction and for more than 1 academic year in order to be eligible to receive a second Pell grant. The total monetary amount of the two awards combined may exceed the maximum grant level specified in the Appropriations Act for that given award year. The period of time during which a student may receive Pell grants may not exceed 18 semesters or an equivalent period of time as determined by the Secretary.

Section 402. Academic competitiveness grants

Section 402 makes a series of changes to the eligibility requirements for Academic Competitiveness Grants (ACG) and National Science and Mathematics Access to Retain Talent (SMART) grants. It expands eligibility for such grants to students who are in school on at least a half-time basis. It clarifies that eligible students enrolled in certificate programs of at least one year at 2- and 4-year degree granting institutions are eligible for ACGs. It also expands eligibility for National Science and Mathematics Access to Retain Talent (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; and to fifth year students in programs that require 5 years to complete undergraduate degrees in the physical, life, or computer sciences, mathematics, technology, or engineering. It eliminates the citizenship requirement for grants under this section, thus enabling Pell-eligible non-citizens to receive ACG and SMART grants. Finally, it makes a series of changes to the process by which such grants are awarded.

Section 403. Federal TRIO programs

Section 403 establishes that awarded grants or contracts may be provided for a 5-year period, but grants identified specifically for staff training and development may only be for a 2-year period. The duration of a grant for evaluation and assessment of a program is to be determined by the Secretary of Education. All awards for an individual grant would be at least $200,000, except for staff training and development programs. For these particular programs awards would be at least $170,000.

The Secretary must establish outcome criteria for measuring the quality and effectiveness of the Talent Search, Upward Bound, Student Support Services, Postbaccalaureate Achievement, and Educational Opportunity Centers programs. The Secretary is required to measure the program's delivery of services and secondary school enrollment and completion, postsecondary enrollment, academic performance, and completion outcomes for students served by the grant programs. Outcome criteria must be disaggregated by low-income, first generation, and individuals with disabilities within each school or institution served by the grant program. Programs would be assessed on how they meet or exceed their various objectives, measured against an eligible entity's stated target outcomes established in their program application.

Talent Search

Talent Search programs must provide the following activities: academic tutoring; assistance in selecting secondary courses and applying for college; information on and assistance in completing financial aid forms; guidance to high school drop outs; and services designed to improve student or parent financial and economic literacy. The section also expands the permissible services component to include programs for students with disabilities and those who are homeless or in foster care.

Upward Bound

The amendments alter and strengthen the required services component for Upward Bound programs. Upward Bound programs must provide the following activities: academic tutoring; assistance in selecting secondary courses and applying for college; information on and assistance in completing financial aid forms; guidance to high school drop outs; and services designed to improve student or parent financial and economic literacy. In addition to those with limited English proficiency, the permissible services component is expanded to include programs for students with disabilities and those who are homeless or in foster care. Priority is given to Upward Bound projects that select at least 30 percent of all first time participants from students who have a high risk of academic failure. The language also states that the Secretary may not deny participation in Upward Bound to a student who enters the program for the first time after the ninth grade.

Student Support Services

The purpose of Student Support Services is expanded to include improving students' financial and economic literacy, such as personal income and financial planning. In addition to creating a supportive institutional climate for low-income and first generation college students as well as individuals with disabilities, this program may also support students with limited English proficiency and those who are homeless or in foster care.

Student Support Services programs must provide the following activities: academic tutoring; assistance in selecting postsecondary courses, transferring from a 2-year to a 4-year program, or enrolling in graduate programs; information on and assistance in completing financial aid forms; and services designed to improve student or parent financial and economic literacy. The permissible services may include securing temporary housing during school breaks for students who are homeless or in foster care.

Postbaccalaureate Achievement Program Authority

Activities under this program may include education or counseling services, mentoring programs, and exposure to cultural events and academic programs.

Educational Opportunity Centers

The purpose of Educational Opportunity Centers is expanded to include improving student or parent financial and economic literacy, such as personal income and financial planning. Funds could be used for education or counseling designed to improve students' financial and economic literacy as well as personal, career, and academic counseling. In addition to those with limited English proficiency, funds may be used to assist students with disabilities and those who are homeless or in foster care.

Reports, evaluations, and grants for project improvement and dissemination

The title of section 402H would change from "Evaluations and Grants for Project Improvement and Dissemination Partnership Projects" to "Reports, Evaluations, and Grants for Project Improvement and Dissemination." The Secretary of Education must submit

a report annually, and not later than 2 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. 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.

Section 404. Gaining early awareness and readiness for undergraduate programs (GEAR UP)

Section 404 eliminates 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 consider the geographic distribution of awards and the distribution of awards between urban and rural applicants.

Section 404 also removes the current law limitation on the amount of funds used specifically for early intervention. The section shifts requirements that activities not displace other employees and that grantees have adequate coordinating staff into the list of information that must be provided as part of the grantee's application. Entities must ensure that grants awarded would be used to supplement and not supplant Federal, State and other local funds used for similar activities and programming.

The title of section 404C is changed from "Eligible Entity Plans" to "Applications." The contents of an application for a grant must include: description of how the entity meets the scholarship requirements; demonstration of adequate staffing for coordinating activities; assurance that activities would not displace employees or eliminate positions at schools; description of how the entity defines the targeted cohort and serves the cohort through grade 12; description of program coordination with existing Federal, State, and local projects; and required activities.

The title of section 404D is changed from "Early Intervention" to "Activities." Grantees are required to carry out the following activities: provide information on financial aid to the cohorts; encourage student enrollment in challenging secondary coursework; support activities designed to lead to students graduating from high school and enrolling in institutions of higher education; and provide scholarships. Grantees may also use funds for tutoring, mentors, outreach, secondary and postsecondary support services, development or implementation of rigorous secondary curricula, dual enrollment, college visits, extended school day programs, or scholarships. States would be given the option to promote additional activities, such as technical assistance to middle or secondary schools, professional development opportunities, strategies to increase postsecondary enrollment and graduation rates, alignment of secondary and postsec-

ondary curricula and standards, alternatives to the traditional secondary school that provide a stronger link between high school and postsecondary options, drop out recovery programs, and dissemination of best practices.

States receiving grant funds under this chapter must use at least 25 percent and no more than 50 percent of funds for early intervention activities described in section 404D. Remaining funds would be used for scholarships for eligible students. Grantees could use more than 50 percent of their funds for these activities if they have other means of providing financial assistance.

Entities must notify students when they enter the programs of the eligibility requirements to receive a scholarship. Each grantee must create or organize a trust for each cohort of students. The trust must provide each student in the cohort with, at a minimum, an amount equal to the minimum Pell grant award described in section 401. Funds in a trust would become available to a student once he or she graduated from high school or the equivalent and enrolled in a 2- or 4-year institution. Students could use funds for qualifying educational expenses, including tuition, fees, books, supplies, equipment, and designated special needs.

Trust funds not used within 6 years of the student's expected date of completion from secondary school could be redistributed to other eligible students. Excess or unused funds by an entity would be returned to the Secretary of Education. The Secretary would then redistribute the funds to other grantee entities.

Section 404F of the existing law, 21st Century Scholarship Certificates, is repealed. Sections 404G and 404H are redesignated as sections 404F and 404G.

Section 403 authorizes such sums as may be necessary for fiscal year 2008 and 5 succeeding fiscal years.

Section 405. Academic achievement incentive scholarships

Section 405 repeals this program.

Section 406. Federal supplemental educational opportunity grants

Section 406 increases the allowance of books and supplies used to compute the average cost of attendance from $450 to $600.

Section 407. Leveraging educational assistance partnership program

Applications for Leveraging Educational Assistance Partnership Programs. The monetary amount allocated by States for an individual student grant increased from a maximum of $5,000 per academic year to either a maximum of $12,500 per academic year or the student's cost of attendance, whichever is less. States must notify eligible students that aid is from Leveraging Educational Assistance Partnership grants and funded by the Federal Government, the States, and other contributing partners.

The title for section 415E, "Special Leveraging Educational Assistance Partnership Program" would be changed to "Grants for Access and Persistence." The purpose of this section is expanded to increase college access and persistence by making State 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 no-

tification 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 to administer the various activities and assure that the State provides the non-Federal share and that early information, intervention, and other outreach programs exist. An application must also explain the State's methods for identifying and awarding grants to eligible students. 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 State programs; and at least one State philanthropic organization or private corporation.

The Secretary makes an allotment to States to pay the Federal share of the cost of carrying out the various authorized activities. 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 50 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 57 percent if enrollment in the State's partnership schools represents a majority of all students attending colleges and universities.

Each State receiving an allotment must use funds toward the overall partnership to award grants for eligible low-income students. If the State's partnership is with institutions serving less than a majority of students in the State, the monetary amount of an individual student grant would be at least equal to the average undergraduate tuition and mandatory fees at 4-year public institutions. If the State's partnership is with institutions serving a majority of students in the State, the monetary amount of an individual student grant would be no more than equal to the average cost of attendance at 4-year public institutions.

States must annually notify low-income students in grades 7 through 12 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 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.

The State agency receiving an allotment must annually report to the Secretary on the partnership's progress in meeting identified goals and objectives. Within 3 years of the enactment of the Higher Education Amendments of 2007 and annually thereafter, the Secretary must submit a report to Congress describing activities and the impact of the partnerships.

Section 408. Special programs for students whose families are engaged immigrant and seasonal farmwork

Section 408 expands 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 2-year to 4-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.

This program is reauthorized for such sums as may be necessary in fiscal year 2008 and the 5 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 .5 percent of funds made available for the projects may be used for outreach activities, technical assistance, and professional development programs.

Section 409. Robert C. Byrd honors scholarship program

Section 409 reauthorizes this program for such sums as may be necessary in fiscal year 2008 and the 5 succeeding fiscal years.

Section 410. Child care access means parents in school

Section 410 sets the minimum grant level at $10,000 and $30,000 when the amount appropriated for activities under this section is equal to or greater than $20 million.

The definition of a "low-income student" is expanded to include a person who would be eligible to receive a Pell grant except that the student is enrolled in a graduate or professional course or is in the United States for a temporary period of time.

Section 411. Learning anytime anywhere partnerships

Section 411 repeals this entire chapter, including sections 420D, 420E, 420F, 420G, 420H, 420I, and 420J.

Part B—Federal Family Education Loan Program

Section 421. Federal payments to reduce student interest costs

Section 421 describes the process by which a lender shall determine a borrower's eligibility for deferment of student loan interest. It adds to the requirements already in current law that the lender must confirm a borrower's enrollment status through the National Student Loan Data System, if such confirmation is requested by the institution of higher education.

This section also places restrictions on the actions a guaranty agency may take under law. It prohibits guaranty agencies from offering, directly or indirectly, premiums, payments, stock or other securities, prizes, travel, entertainment expenses, tuition repayment, or other inducements to institutions of higher education or their employees to secure applicants for loans or to any lender or lender's agent, employee, or independent contractor, for the purpose of securing the designation of the guaranty agency as the insurer of loans. It also prohibits guaranty agencies from conducting unsolicited mailings of educational loan application forms to students or the parents of such students who have not previously received loans guaranteed by the specific guaranty agency; from performing for an institution or paying another to perform for an institution any function that the institution is required to perform under part B, D, or G of the Higher Education Act of 1965; and from conducting fraudulent or misleading advertising concerning loan availability, terms, or conditions.

Section 422. Federal consolidation loans

Section 422 requires lenders of consolidation loans to make a series of disclosures to borrowers who apply for consolidation loans. Lenders shall provide borrowers with information about the possible impact of consolidation, including the total interest and fees to be paid on the consolidation loan, and the length of repayment for the loan; whether consolidation would result in a loss of loan benefits; the ability of the borrower to prepay the consolidation loan, pay such loan on a shorter schedule, and to change repayment plans; that borrower benefit programs may vary among different lenders; the consequences of default on the consolidation loan; that by applying for a consolidation loan, the borrower is not obligated to agree to take the consolidation loan; and in the case of a borrower that plans to include a Federal Perkins Loan in the consolidation loan, that once the 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(a).

Section 423. Default reduction program

Section 423 requires guaranty agencies offering programs that allow borrowers with defaulted loans to renew eligibility on their loans after borrowers make six consecutive monthly payments to make available financial and economic educational materials before, during, or after rehabilitation of the loans.

Section 424. Reports to consumer reporting agencies and institutions of higher education

Section 424 changes the term "credit bureaus" in the section title to "consumer reporting agencies." This section also requires the Secretary of Education, guaranty agencies, eligible lenders, and holders to include information about the type of loan made, the repayment status of the loan, and any other information mandated by Federal law when providing information to consumer reporting agencies concerning student borrowers. The information must be provided to all nationwide consumer reporting agencies.

Section 425. Common forms and formats

Section 425 establishes that institutions may use master promissory notes for loans under this part and part D, unless otherwise noted.

Section 426. Student loan information by eligible lenders

Section 426 establishes that lenders, guaranty agencies, secondary markets, consumer reporting agencies, or loan servicers that are subject to Subtitle A of Title V of the Gramm-Leach-Bliley Act shall only use, release, sell, transfer, or give student information in accordance with the provisions of that subtitle. Each eligible lender, holder, or servicer must provide the borrower with information on loan benefit repayment options, including comprehensive information on reducing interest rates.

Section 427. Consumer education information

Section 427 requires guaranty agencies working with institutions of higher education to develop or use existing educational programs and materials to provide training for students in budgeting and financial management.

Section 428. Definition of eligible lender

Section 428 places a number of restrictions on the activities a lender may undertake to qualify as an eligible lender. It prohibits eligible lenders from offering, directly or indirectly, points, premiums, payments (including payments for referrals and for processing or finder fees), prizes, stock or other securities, travel, entertainment expenses, tuition repayment, the provision of information technology equipment at below-market value, additional financial aid funds, or other inducements to any institution of higher education or its employees in order to secure applicants for loans under this part; from conducting unsolicited mailings of student loan application forms to students or their parents, unless such students have previously received loans from such lender; from entering into any type of consulting arrangement, or other contract to provide services to a lender, with an employee of an institution with responsibilities with respect to student loans or financial aid; from compensating such an employee who is serving on an advisory board, commission, or group established by a lender or group of lenders for providing such service, except for reasonable expenses incurred in providing such service; or from performing for an institution of higher education or paying another to perform for an institution any function that the institution of higher education is required to carry out under part B, D, or G of the Higher Education Act of 1965.

This section also sunsets the authority provided under the Higher Education Act for a school to serve as an eligible lender, and for an eligible lender to serve as a trustee for an institution of higher education or an organization affiliated with an institution of higher education, as of June 30, 2012. Such an existing institutional lender shall not issue any new loans in such capacity under part B after June 30, 2012. Prior to June 30, 2012, such an institutional lender shall carry out the institution's responsibilities with respect to such loans; except that beginning on June 30, 2011, such an institutional lender may sell or otherwise dispose of such loans so

long as all profits from such divestiture are directed to need-based aid.

Section 429. Discharge and cancellation rights in cases of disability

Section 429 expands the group of disabled borrowers for whom the Secretary will discharge their liability and repay their loans, to include a borrower who is unable to engage in substantial gainful activity due to a medically determinable physical or mental impairment that can be expected to result in death, has lasted for 5 years continuously, or can be expected to last for at least 5 years continuously. This change shall apply to borrowers of loans under part B, part D, and part E. This section also allows the Secretary to develop safeguards to prevent fraud and abuse in the discharge of liability under this subsection.

Section 430. Special allowances

Section 430 authorizes the Secretary to collect a loan fee on all consolidation loans of 1 percent of the principal.

Part C—Federal Work-Study Programs

The purpose of part C is to promote part-time employment of undergraduate and graduate students who need earnings to pursue their courses of study. Additionally, the goal of part C is to encourage students receiving Federal financial aid to participate in community service activities.

Section 441. Authorization of appropriations

Section 441 authorizes such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

Section 442. Allowance for books and supplies

Section 442 establishes that an institution's eligibility for funding under this part is equal to the sum of the self-help need of all the school's undergraduate and graduate students. The self-help of a student is calculated using a variety of factors, including an allowance for books and supplies. This allowance is increased from $450 to $600.

Section 443. Grants for federal work-study programs

Section 443 permits the Secretary to waive the community service requirement under this part if an institution certifies that at least 15 percent of its full-time student enrollment participates in community service or tutoring or literacy activities.

Section 444. Job location and development programs

Section 444 states that institutions may use no more than 10 percent, or $75,000, whichever is less, of their work-study allotments to establish or expand programs that locate and develop jobs including community service jobs for currently enrolled students.

Section 445. Work colleges

Section 445 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 4–year, degree-granting institutions. Such schools must require all resident students, including at least 1/2 of resident students who are enrolled on a full-time basis, to participate in a comprehensive work-learning-service program for not less than 5 hours each week, or not less than 80 hours during each period of enrollment except summer school.

Part D—Federal Perkins Loans

Section 451. Program authority

This section authorizes such sums as may be necessary for fiscal year 2008 through 2012.

Section 451. Cancellation of loans for certain public service

Section 451 adds to the list of those service occupations eligible for Perkins loan cancellation: (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) full-time faculty members at Tribal Colleges and Universities, (3) 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 ESEA or in a public school library that serves a geographic area that contains one or more title I eligible schools, and (4) 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 expands Perkins loan forgiveness for members of the Armed Forces from 50 percent to 100 percent, consistent with others types of loan cancellation in the section.

Part E—Need analysis

Section 461. Cost of attendance

Section 461 adds a provision to the list of costs that may be included in calculating a student's room and board allowance for the purpose of determining financial aid. For students who live in housing located on a military base or for which a basic allowance for housing is provided under section 403(b) of Title 37, United States Code, such student's room and board allowance shall be calculated based on the expenses reasonably incurred by such students for board, but not for room.

Section 462. Definitions

Section 462 amends the definition of untaxed income for the purpose of determining the expected family contribution to exclude the value of on-base military housing or the value of basic allowance for housing determined under section 403(b) of title 37, received by a student or his or her parents.

Part F—General provisions relating to student assistance

Section 471. Definitions

Section 471 makes a technical change to the definition of an academic year, specifying that to be eligible for a waiver of the 30-week requirement an institution may measure program length in credit hours or clock hours.

Section 472. Compliance calendar

Section 472 directs the Secretary to provide institutions of higher education a list of all reports and disclosures required under this act at the beginning of each award year. This information shall include the date each report is due, the required recipients, the method of transmission, references to the statutory authority, a description of the contents of the report and any other information that the Secretary may require.

Section 473. Forms and regulations

Section 473 establishes 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 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. 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 shall make all efforts to encourage all applicants to use the simplified electronic application that uses smart logic to tailor the questions to individual applicants. The Secretary shall use any realized savings from the phasing out of the paper form to improve access to the electronic form and make an annual report on progress in accessing and moving to the electronic form. 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. No later than 180 days after enactment of the Higher Education Amendments of 2007, 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 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.

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.

This section also authorizes an early application and award demonstration program, which shall serve 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 2 years prior to the year such students plan to enroll in an institution of higher education, and based on this application, to obtain, at least 1 year prior to the year of the students' planned enrollment, information on eligibility for Federal Pell Grants, Federal student loans under title IV, and State and institutional financial aid for such students' first year of enrollment in an institution of higher education. 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 whether receiving financial aid awards or estimates 1 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 the year that is 2 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; determine what operational changes or changes to Federal law that would be necessary to implement the program on a larger, permanent basis; 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.

This section requires the Comptroller General and the Secretary of Education, in consultation with a study group made up of the Secretary of the Treasury, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and such other individuals as the Comptroller General and Secretary of Education may designate, to design and conduct a study to identify and evaluate the means of simplifying the process of applying for Federal financial aid under this title. The study shall focus on developing alternative approaches for calculating the expected family contribution that use substantially less income and asset data than the methodology currently used for determining the expected family contribution. The study must consider, among other information: how the expected family contribution of a student could be calculated using substantially less income and asset information than the approach currently used, which alternative approaches for calculating the expected family contribution shall, to the extent practicable, rely mainly on information available on

the 1040, 1040A, and 1040EZ for students and parents who file tax returns, and shall include formulas for adjusting income or asset information to produce similar results to the existing approach with less data; how the Internal Revenue Service can provide income and other data needed to compute an expected family contribution for taxpayers and dependents of taxpayers to the Secretary; whether the data provided by the Internal Revenue Service could be used to prepopulate the electronic version of the FAFSA with student and parent taxpayer data, or generate an expected family contribution without additional action on the part of the student and taxpayer; the extent to which States and institutions would accept the data provided by the Internal Revenue Service data to prepopulate an electronic FAFSA in determining the distribution of State and institutional financial aid funds; additional steps that could be taken to simplify the financial aid process for students and parents who are not required to file a tax return for the previous year; and information on the State need for the full array of income, asset, and other information currently collected on the FAFSA. If the Secretary of Education, in a joint determination with the Secretary of the Treasury, determines that the use of Internal Revenue Service data to prepopulate the electronic version of the FAFSA will not significantly negatively impact students, institutions of higher education, States, or the Federal Government on a series of specified criteria, the Secretary may use such Internal Revenue Service data to prepopulate the electronic version of the FAFSA. The Secretary of Education and the Comptroller General shall prepare a report on the results of this study not later than 18 months after the enactment of this Act.

Section 474. Student eligibility

Section 474 specifies that in order to be eligible to receive aid under this title, a student must be a citizen or permanent resident enrolled in an eligible program, be making satisfactory progress in that program, not owe a refund or be in default of a previous loan and have filed a FAFSA for aid determination. An institution may determine that a student who has satisfactorily completed 6 credit hours (or the equivalent) applicable to a degree or certificate has the ability to benefit from the education or training offered by the institution.

Section 474 also specifies 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.

Section 474 also expands the eligibility requirements for student financial assistance under title IV so students with intellectual disabilities shall be eligible for such assistance, even if they are enrolled in non-degree programs. To qualify for grants or work assistance under subparts 1 and 3 of part A and part C of title IV, such student shall be an individual with an intellectual disability whose significant cognitive impairment substantially impacts the individual's intellectual and cognitive functioning, who is eligible for assistance under the Individuals with Disabilities Education Act and has completed secondary school, among other requirements. Such individuals must be enrolled or accepted for enrollment in a com-

prehensive transition and postsecondary education program that is designed for 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; includes an advising and curriculum structure; requires students to participate on at least a half-time basis; or includes regular enrollment in courses offered by the institution, auditing or participating in courses offered by the institution for which the student does not receive regular academic credit, enrollment in non-credit, non-degree courses or participation in internships. Such individual must also be maintaining satisfactory progress in the program as determined by the institution.

Section 475. Statute of limitations and State court judgments

Section 475 ensures that obligations to repay loans and grant overpayments are enforced. In collecting any obligation on Perkins loans, an institution of higher education shall not be denied payment due to a claim of infancy by the borrower. The section clarifies that payments are not due in the case of a student who is deceased, and that payments may not be required of a deceased student's estate.

Section 476. Institutional refunds

Section 476 establishes that if a recipient of aid under this title withdraws from an institution during a payment period or a period of enrollment due to illness, accident, grievous personal loss or other circumstances beyond the student's control, and does not notify the institution, the institution may determine the appropriate withdrawal date and may determine that the student does not need to repay title IV funds.

Section 477. Institutional and financial assistance for students

Section 477 adds to the information that institutions must disseminate to prospective and enrolled students an institution's policies and sanctions regarding copyright infringement. Such policies must inform students that unauthorized distribution of copyrighted material on the institution's information technology systems may subject students to civil and criminal penalties.

This section requires institutions to provide information on student body diversity, including the percentage of enrolled, full-time students who are male, female, from a low-income background, and a self-identified member of a major racial or ethnic group.

This section also requires that the completion and graduation rate data that is already required to be reported under current law, also be disaggregated by gender, major racial and ethnic subgroup, by recipients of a Federal Pell grant, by recipients of a loan made under part B or part D (other than an unsubsidized Stafford loan) who did not receive a Pell grant, and by recipients of neither a Federal Pell grant nor a loan made under this part or part D (other than an unsubsidized Stafford loan).

This section also requires that eligible institutions disseminate specific information to prospective and enrolled students. Each institution must disclose information on student financial assistance and the procedures for applying for such assistance, the cost of attending the institution and general information about the academic

and non-academic aspects of the school programs. For the purposes of information on graduation rates, the institution may exclude information on students who leave school to serve in the Armed Forces, on official church missions, or with a recognized foreign aid service of the Federal Government or, if the students in that category exceed 20 percent of an institution's enrollment, include such students, but exclude the time period the students were not enrolled due to their service.

This section added an entrance counseling requirement for first-time Stafford and Grad PLUS borrowers to ensure that they receive comprehensive information on the terms and conditions of their loan and the responsibilities a borrower has with respect to his or her loan. Institutions are encouraged to use interactive programs that test the borrower's understanding of the provisions. The information provided needs to include the institution's definition of half-time enrollment, and the consequences of not maintaining half-time enrollment; an explanation of the importance of contacting the appropriate institutional offices if the borrower withdraws before completing his or her program of study; and the name of an individual the borrower may contact if the borrower has any question about rights and responsibilities.

Institutions must also provide an exit interview to borrowers of title IV loans which shall include information on loan repayment plans available, including a discussion of the different features of each plan and sample information showing the difference in interest paid and total payments under each plan; the average anticipated monthly repayments under the standard repayment plan and any other repayment plans for which the borrower is eligible, if the borrower so requests; debt and management strategies; an explanation that the borrower has the ability to prepay each such loan, pay the loan on a shorter schedule, and change repayment plans; the situations in which the student may obtain full or partial forgiveness or cancellation of principal or interest; the terms and conditions under which the student may defer repayment of principal or interest or be granted forbearance; the consequences of default on such loans; information on the effects of using a consolidation loan to discharge the borrower's loans; and a notice to borrowers about the availability of the National Student Loan Data System and how the system can be used by a borrower to obtain information on the status of the borrower's loans. Such exit interviews shall also include a clear and conspicuous notice describing the general effects of using a consolidation loan to discharge the borrower's student loans, including the effects of consolidation on total interest to be paid, fees to be paid, and length of repayment; the effects of consolidation on a borrower's underlying loan benefits, including loan forgiveness, cancellation, and deferment; the ability for the borrower to prepay the loan, pay on a shorter schedule, and to change repayment plans, and that borrower benefit programs may vary among different loan holders; a general description of the types of tax benefits which may be available to the borrower; and the consequences of default.

This section also requires institutions of higher education to publish and distribute on an annual basis on campus policies regarding immediate emergency procedures. Such policies shall include procedures to notify the campus community in a reasonable and timely

manner in the event of a significant emergency or dangerous situation, procedures to publicize emergency response and evacuation procedures on an annual basis in a manner designed to reach students and staff; and procedures to test emergency response and evacuation procedures on an annual basis.

Each institution participating in title IV must also publicly disclose the institution's current transfer of credit policy that includes a statement that the institution shall disclose whether the institution denies transfer of credit based on the accreditation of the sending institution and a list of institutions with which the institution has established articulation agreements.

Finally, this section 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. Such report shall include information 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. This section also requires 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.

Section 478. National student loan data system

Section 478 establishes guidelines for the Secretary to administer the National Student Loan Data System (NSLDS) in an effort to maintain confidence in the NSLDS. This section requires the Secretary to ensure that the primary purpose of access to the data system by guaranty agencies, eligible lenders, and eligible institutions of higher education is for legitimate program operations. The Secretary shall prohibit nongovernmental researchers from accessing personally identifiable information. The Secretary shall also create a disclosure form for students and potential students that is distributed when such students complete the common financial reporting form and as a part of the exit counseling process under title IV. The disclosure form shall inform students about the NSLDS and its appropriate uses. The Secretary shall require guaranty agencies, lenders, and institutions of higher education that enter into an agreement with a borrower regarding a loan under title IV to inform the borrower that such loan will be submitted to the data system and will be accessible to certain entities. The Secretary is required to establish protocols for limiting and restoring access to

the database in the event that the Secretary deems it necessary to restrict access to the NSLDS. Finally, the Secretary is required to regularly review the data system to ensure it is up to date and is not being exploited by inappropriate parties; and to develop standardized protocols for limiting access to the data system.

This section also requires the Secretary to report annually to Congress on the implementation of this section, including the effectiveness of the privacy safeguards in protecting student and parent information in the data system; the success of new safeguards; the Secretary's ability to monitor the use of the system; and any protocols developed during the year. It also requires the Secretary to conduct a study regarding available mechanisms for providing students and parents with the ability to opt in or opt out of allowing eligible lenders to access their records in the National Student Loan Data System, and appropriate protocols for limiting access to the data system.

Section 479. Early awareness of financial aid eligibility

Section 479 requires the Secretary to work with institutions of higher education and other agencies involved in college access to implement a system to provide students and families with early information about financial aid, and early estimates of students' eligibility for financial aid. The Secretary shall make a special effort to inform students who receive or are eligible to receive means-tested benefits that they are potentially eligible for a maximum Pell grant. The section specifies information on the availability of financial aid to be provided to students when they are middle or high school students and to adult learners. The Secretary, in coordination with States, institutions of higher education, and other agencies, shall provide the means for individuals to obtain nonbinding estimates of grant and loan aid the individuals may receive. These estimates should be as accurate as possible. In addition, not later than 2 years after the enactment of the Higher Education Amendments of 2007, the Secretary shall coordinate with relevant entities to implement a public awareness campaign on the availability of financial aid under this title.

Section 480. Program participation agreements

Section 480 adds several clauses to the program participation agreement that institutions must sign to participate in the student aid programs under this title. One new provision requires that institutions establish, enforce and follow a code of conduct regarding student loans. The code of conduct shall include a revenue sharing prohibition, that prohibits institutions from receiving anything of value from any lender in exchange for an advantage sought by the lender to make educational loans to a student associated with the institution. It also prohibits any employee who is employed by the financial aid office at an institution or who has other responsibilities with respect to educational loans, from taking from a lender a gift or trip worth more than nominal value, except for reasonable expenses associated with professional development; from entering into a consulting arrangement or other contract to provide services to a lender; and from receiving anything of value in exchange for serving on the advisory board, commission or group established by a lender or group of lenders, except for reasonable expenses in-

curred in serving on such board. The institution shall not refuse to certify, or delay certification of a loan based on the borrower's selection of a particular lender. Through a designated individual, the institution shall annually attest that the institution agrees to, and is in compliance with, the requirements of the code of conduct.

Section 480 also places a number of requirements on institutions of higher education that choose to maintain a preferred lender list to recommend specific lenders for loans made under part B of the Higher Education Act of 1965 to students. In establishing a preferred lender list, the institution must clearly and fully disclose why the institution has included each lender as a preferred lender, especially with respect to terms and conditions favorable to the borrower and that students attending the institution (and the parents of such students) do not have to borrow from a lender on the preferred lender list. The institution must also establish a process to ensure that lenders are placed upon the preferred lender list on the basis of the benefits provided to borrowers, including highly competitive interest rates, terms, or conditions for loans made under part B high-quality customer service for such loans, and additional benefits. Institutions must ensure that a preferred lender list includes at least three unaffiliated lenders.

Section 480 specifies that proprietary institutions of higher education must have not less than 10 percent of their revenues from sources other than funds provided under this title. In the calculation of the 10 percent, an institution may include funds from sources other than those received under this title, matching funds, student payments from eligible college savings plans established under section 529 of the IRS Code of 1986, funds paid by the student or on behalf of the student by a third party, institutional aid and funds generated by the institution from institutional activities that are necessary for the education and training of the institution's students. Failure to meet this requirement for 1 year may result in the institution being placed on provisional certification, and the Secretary may increase monitoring and reporting requirements. Failure to meet the requirements for 2 consecutive years shall mean that the institution is ineligible to participate in programs under this title until the Secretary is satisfied that it is in compliance with this section. The Secretary shall make available information regarding which institutions have failed to meet this requirement.

This section specifies that if an institution is subject to an emergency action or its title IV participation is limited, suspended or terminated, the Secretary shall require the institution to prepare a teach-out plan for submission to the institution's accrediting agency. The term "teach-out" plan shall mean a written plan that provides for the equitable treatment of students if an institution of higher education ceases to operate before all students have completed their program of study.

Section 481. Regulatory relief and improvement

Section 481 maintains 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 they wish to continue participation. This section requires the Secretary to review and submit a biennial report to the author-

izing committees on the experience of institutions participating as experimental sites.

Section 482. Transfer of allotments

Section 482 allows institutions to transfer up to 25 percent of funds between its Federal Supplemental Educational Opportunity Grant and Federal Work-Study accounts.

Section 483. Purpose of administrative payment

Section 483 clarifies the sums paid under this part are to be used for administering the programs described.

Section 484. Advisory Committee on Student Financial Assistance

Section 484 adds to the purposes of the Advisory Committee by requiring it to provide knowledge and understanding of early intervention programs and to make recommendations that will result in early awareness for low- and moderate-income families of their eligibility for assistance under this title. It also authorizes the Advisory Committee to make recommendations that will expand partnerships among Federal and State Governments, institutions of higher education and the private sector.

This section charges the Advisory Committee with reviewing regulations under title IV of the Higher Education Act and making recommendations to the Secretary to minimize regulatory burdens for institutions of higher education. In the review of regulations, the Advisory Committee shall convene not less than two review panels of representatives of the relevant groups to determine the necessity of the regulations, and recommend to the Secretary the elimination of regulations that are duplicative, unnecessary, inconsistent with other Federal requirements or overly burdensome. The Advisory Committee shall submit recommendations to the authorizing committees and the Secretary not later than 2 years after the completion of negotiated rulemaking.

This section also charges the Advisory Committee with conducting a study of innovative pathways to baccalaureate degree attainment, such as dual enrollment, Pell grant program changes, simplification, compressed or modular scheduling, articulation agreements and programs that allow 2-year institutions to offer BA degrees.

Section 485. Regional meetings

Section 485 adds State student grant agencies groups whose input the Secretary shall seek in meetings and rulemaking under this section.

Section 486. Year 2000 Requirements at the Department

Section 486 repeals the language describing required preparations to ensure the year 2000 did not interrupt the Department's processes and services.

Part G—Program integrity

Section 491. Recognition of accrediting agency or association

Section 491 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. This section also expands the criteria agencies must consider when evaluating institutions of higher education, requiring such agencies to consider student retention rates, course completion rates, program completion and graduation rates, and as appropriate, State licensing examinations, job placement rates, enrollment in graduate and professional programs, and other student performance information selected by the institution, particularly that information used by the institution to evaluate or strengthen its programs.

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, including an opportunity for written response prior to final action being taken, and the opportunity to appeal any adverse action taken. The appeals board must not include current members of the agency or association's underlying decisionmaking body that made the adverse decision and it must be subject to a conflict of interest policy. 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 reaccreditation 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.

This section also requires accrediting agencies to ensure that their onsite evaluation includes a review of the federally required information the institution or program provides to its current and prospective students, and they are monitoring the growth of programs at institutions experiencing significant growth. 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.

Section 492. Administrative capacity standard

Section 492 adds a subsection on the Treatment of Teach-Outs at Additional Locations. A location of a closed institution of higher education will be eligible as an additional location of an eligible in-

stitution of higher education for the purpose of a teach-out, if such teach-out has been approved by the institution's accrediting agency.

An institution of higher education that conducts a teach-out through the establishment of an additional location at a closed institution will be permitted to make that a permanent additional location without being required to assume the liabilities of the closed institution or be in existence for 2 years before establishing eligibility.

Section 493. Program review and data

Section 493 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.

Section 494. Timely information about loans

Section 494 requires lenders of loans made, insured or guaranteed under Title IV of the Higher Education Act of 1965 to provide all borrowers with a bill each payment installment time period, that shall provide such borrower with clear and conspicuous notice of the borrower's principal borrowed, current balance, interest rate on each loan, the amount the borrower has already paid in interest, the total additional interest payments the borrower is expected to pay over the life of the loan, the total amount the borrower has paid for the loan, including the amount the borrower has paid in interest, the amount the borrower has paid in fees, and the amount the borrower has paid against the balance, in a brief, borrower-friendly manner, a description of each fee the borrower has been charged for the current payment period, the date by which the borrower needs to make a payment in order to avoid additional fees, the amount of such payment that will be applied to the interest, the balance, and any fees on the loan; and the lender's address and toll-free phone number for payment and billing error purposes.

Lenders must also provide borrowers with clear and conspicuous notice, at least 1 month prior to a loan entering repayment, of information regarding the borrower's options, including repayment plans, deferments, forbearances, and discharge options to which the borrower may be entitled; the conditions under which a borrower may be charged any fee, and the amount of such fee; the conditions under which a loan may default, and the consequences of default; resources, including nonprofit organizations, advocates, and counselors (including the Office of the Ombudsman at the Department), where borrowers can receive advice and assistance, if such resources exist.

If a borrower enters default, a lender must provide the borrower at least twice with a clear and conspicuous notice of not less than

the following information: The options available to the borrower to be removed from default; the relevant fees and conditions associated with each option.

Section 495. Auction evaluation and report

Section 495 specifies that if Congress establishes a pilot program for the auction of Federal PLUS loans, the Comptroller General shall evaluate such a pilot program. 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 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 a 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 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. The Comptroller General shall submit a preliminary report to the authorizing committees not later than September 1, 2010, with the information included in the evaluation; shall submit an interim report not later than September 1, 2012 regarding such findings; and shall submit a final report not later than September 1, 2014, regarding such findings.

Title V—Developing Institutions

Section 501. Authorized activities

Section 501 establishes that institutions may use grant aid for education or counseling services designed to improve financial literacy of students or their parents. Funds may be used to develop articulation agreements and facilitate the transfer of students from 2-year to 4-year institutions. Institutions may also utilize grant aid for customized remedial education and English language instruction courses designed to retain students and prepare students to enroll in core courses and successfully complete degree and major requirements.

Section 502. Postbaccalaureate opportunities for Hispanic Americans

Section 502 creates a new program that authorizes the Secretary of Education to award grants to eligible Hispanic-serving institutions that offer postbaccalaureate certificates or degree-granting programs.

Grant awards may be used to fund the following types of activities: purchasing scientific or laboratory equipment, books, and other educational material; constructing, maintaining or renovating

classrooms, libraries, or other instructional facilities; supporting faculty and curriculum development, outreach, academic support services, mentoring and financial assistance; and collaborating with other colleges and universities to expand postbaccalaureate certificate opportunities or degree granting programs.

An application for a grant must explain how funds would be used to improve postbaccalaureate education opportunities for Hispanic and low-income students and would lead to students gaining greater financial independence. The Secretary of Education shall award grants to Hispanic-serving institutions for up to 5 years and colleges and universities are only to receive one award per fiscal year.

Section 503. Applications

Section 503 makes a technical change.

Section 504. Cooperative arrangements

Section 504 makes a technical change.

Section 505. Authorization of appropriations

Section 505 authorizes such sums as may be necessary for fiscal year 2008 and the 5 succeeding fiscal years.

Title VI—International Education Programs

Section 601. Findings

Section 601 revises the findings section to reflect changes in the world's geopolitical and economic landscapes that have created a need for American expertise and knowledge about a greater diversity of less commonly taught languages and nations of the world. This title supports centers, programs, and fellowships in American institutions of higher education, including programs partnering with overseas institutions, to increase the numbers of trained personnel and research in foreign language, area studies and other international studies. The Secretary shall consult with appropriate Federal agencies to determine national priorities in these areas and shall assist programs funded under this title to develop surveys of participants to determine placement after graduation.

Section 602. Graduate and undergraduate language and area centers and programs

Section 602 authorizes the Secretary to make grants to institutions of higher education to support comprehensive foreign language or area study centers, including a network of undergraduate programs. Grants may support teaching and research materials, curriculum planning and development, linkages with foreign institutions, instructors of less commonly taught languages, and activities to improve instruction. Fellowships support students at advanced study levels, including doctoral and post-doctoral candidates. Requires each applicant to explain how the activities funded by the grant will reflect diverse perspectives and a wide range of views.

Section 603. Undergraduate international studies and foreign language programs

Section 603 authorizes the Secretary to make grants under this section to establish, strengthen and operate national language resource and training centers at the undergraduate level. The funds from these grants may provide for the development of new teaching materials, the conducting or dissemination of research, the training of teachers or the expansion of experiences for students in foreign countries. In the application, in addition to program quality information, the applicant must include how the grantee will inform students about federally funded scholarship programs in related areas, and how the grantee will encourage service in areas of national need. Only 20 percent of funds may support undergraduate study, and only 10 percent of total awarded funds may be used for study abroad.

Section 604. Research; studies

Section 604 establishes that the Secretary may, directly or through grants or contracts, conduct research and studies that contribute to achieving the purposes of this part including comparative studies; research on instructional strategies; studies to assess the need for area studies and language instruction; evaluations of the extent to which programs funded under this title reflect diverse perspectives and generate debate on world regions and international affairs; and systematic collection, analysis and dissemination of data that contribute to the purposes of this title.

Section 605. Technological innovation and cooperation for foreign information access

Section 605 authorizes the Secretary to make grants to institutions of higher education, public or non-profit private libraries or consortia of such institutions or libraries to develop innovative ways to use electronic technologies to collect, organize, preserve, and widely disseminate information from foreign sources. Grants may be awarded to an institution of higher education, a public or non-profit private library, or a consortium of an institution of higher education plus another institution of higher education, or a library, or a non-profit educational organization.

Section 606. Selection of certain grant recipients

Section 606 provides that in considering grant applications under this title, the Secretary shall evaluate each application based on established criteria. The Secretary shall also consider the applicant's record of sending students into areas of national need.

Section 607. American overseas research centers

Section 607 authorizes the Secretary to make grants to and enter into contracts with any American overseas research center that is a consortium of institutions of higher education. Each center desiring a grant shall submit the required information. Grant funds may support faculty salaries, faculty and student travel, teaching and research material, conferences, and publications.

Section 608. Authorization of appropriations for international and foreign language studies

Section 608 authorizes such sums as may be necessary for fiscal year 2008 and the 5 succeeding fiscal years.

Section 609. Centers for international business education

Section 609 authorizes the Secretary to award grants to institutions of higher education to operate international centers for business education that will be national resources for improved business techniques. Such grants will require assurance that diverse perspectives will be made available to students in programs under this section.

Section 610. Education and training programs

Section 610 authorizes the Secretary to award grants to institutions of higher education to promote linkages between such institutions and the American business community engaged in international business. Such grants will provide diverse perspectives and a wide range of views on world regions and international affairs, when applicable.

Section 611. Authorization and appropriations for business and international education programs

Section 611 authorizes such sums as may be necessary for fiscal year 2008 and the 5 succeeding fiscal years.

Section 612. Minority foreign service professional development program

Section 612 authorizes the Secretary to award grants to Historically Black Colleges or Universities that serve a substantial number of minority students, or an institution of higher education with programs in training Foreign Service professionals to establish an Institute for International Public Policy to increase the participation of underrepresented minorities in international service fields. Such programs shall reflect diverse perspectives and a wide range of views on world regions and international affairs, when applicable. The applicant must provide a 50 percent match of Federal funds, but the Secretary has the right to waive the match requirement if the Secretary determines a waiver is appropriate.

Section 613. Institutional development

Section 613 specifies that the Institute shall award grants to minority-serving institutions to strengthen international business and foreign language study programs, in addition to international affairs, international business, and foreign language study programs. This shall include the teaching of foreign languages.

Section 614. Study abroad program

Section 614 specifies that the Institute shall conduct a junior-year abroad program.

Section 615. Advanced degree in international relations

Section 615 specifies that the Institute shall provide a program of study that leads to master's degrees and, in exceptional circumstances, doctoral degrees.

Section 616. Internships

Section 616 establishes that the Institute shall work with eligible institutions of higher education to establish relevant internships for students in the international studies field.

Section 617. Financial assistance

Section 617 allows the Institute to provide financial assistance to needy students in the form of summer stipends of up to $3,000 or Ralph Bunche scholarships of up to $5,000 per academic year. Summer stipends shall be used for participation in a summer institute program, and can be applied to travel, living, and educational expenses. Ralph Bunche scholarships shall be used for full-time students to pay costs related to attendance at the institution of higher education at which the student is enrolled.

Section 618. Report

Section 618 requires the Institute to submit a report biennially on the activities conducted under this title to the Secretary of Education and the Secretary of State.

Section 619. Gifts and donations

Section 619 specifies that the biennial report shall include all gifts and donations received by the Institute.

Section 620. Authorization of appropriations for the institute for international public policy

Section 620 authorizes such sums as may be necessary for fiscal year 2008 and the 5 succeeding fiscal years.

Section 621. Definitions

Section 621 amends the definition of a "Tribal College or University" to include institutions identified in the Tribally Controlled College or University Assistance Act of 1978.

Renames "comprehensive language and area center" as "comprehensive foreign language and area or international studies center" and "undergraduate language and area center" as "undergraduate foreign language and area or international studies center."

Section 622. Assessment and enforcement

Section 622 authorizes the Secretary to assess and ensure compliance with all the conditions and terms of grants provided under this title. If a complaint regarding activities under this title is not resolved under the process outlined in the relevant grantee's application, such complaint shall be filed with the Secretary, who shall take the review of such complaints into account when determining the renewal of grants.

The Secretary may use no more than 1 percent of the funds available under this title for program evaluation, national outreach, and information dissemination activities relating to the programs authorized under this title.

The Secretary shall, in consultation with the Secretaries of State and Defense, and the heads of other relevant Federal agencies, submit a biennial report to be made available to the authorizing committees and the public identifying areas of national need in foreign

language, area, and international studies, and a plan to address those needs.

Title VII—Graduate and Postsecondary Improvement Programs

Part A—Graduate education programs

Section 701. Purpose

Section 701 identifies mathematics, science, engineering and other areas critical to the United States' national and homeland security needs as areas of focus for national graduate fellowship programs that are designed to sustain and enhance the capacity for graduate education.

Section 702. Allocation of Jacob K. Javits fellowships

Section 702 adds two considerations to the qualifications of Board members appointed by the Secretary. The Secretary will appoint members to represent the various geographic regions of the United States and include representatives from minority-serving institutions, as defined in section 365.

Section 703. Stipends

Section 703 clarifies that stipends provided under this section are to be of an amount equal to those provided through the National Science Foundation's "Graduate Research Fellowship Program."

Section 704. Authorization of appropriations for the Jacob K. Javits fellowship program

Section 704 authorizes such sums as may be necessary for fiscal year 2008 and the 5 succeeding fiscal years.

Section 705. Institutional eligibility under the graduate assistance in areas of national need program

Section 705 specifies that in designating areas of national need, the Secretary is required to consult 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 must also take into consideration an assessment of current and future professional workforce needs of the United States, when making these designations.

Section 706. Awards to graduate students

Section 706 requires that for individuals who receive their first stipend in academic year 2008–2009, the amount shall be set at an amount equal to that provided by the "Graduate Research Fellowship Program" administered by the National Science Foundation.

Section 707. Additional assistance for cost of education

Section 707 updates the years used in determining payments amounts from 1999–2000 to 2008–09, and from 1998–99 to 2007–08.

Section 708. Authorization of appropriations for the graduate assistance in areas of national need program

Section 708 authorizes such sums as may be necessary for fiscal year 2008 and the 5 succeeding fiscal years.

Section 709. Legal educational opportunity program

Section 709 expands those eligible for the Thurgood Marshall Legal Opportunity Program to include secondary school students as well as college students, and expands uses accordingly throughout. Expands eligible uses to include admission to law practice and preparation of eligible students for completion of a baccalaureate degree. 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 who have completed comparable summer institute programs certified by the Council on Legal Opportunity. Adds national and State bar associations as eligible subgrant recipients.

Section 710. Fund for the improvement of postsecondary education

Section 710 expands the provision regarding the institutions and programs based on the technology of communication to include the establishment and continuation of institutions, programs, consortia, collaborations, and other joint efforts based on the technology of communications, including efforts that use distance education and technological advancements to educate and train postsecondary students, including health professionals serving medically underserved populations.

This section adds a new provision to include reforms in remedial education, including English language instruction and remedial courses customized to student goals to help students progress into core courses and complete programs.

A provision is added for the creation of consortia that join institutions of higher education to design and offer curricular and cocurricular interdisciplinary programs of undergraduate and graduate study to focus on poverty and human capability. Such programs shall include a service learning component and educational activities that stress the effects of poverty and how poverty can be alleviated through different career paths.

This section also creates a new grant to provide support and assist programs that are implementing integrated education reform services to improve secondary school graduation, college attendance, and college completion rates among at-risk students, and to promote the establishment of new programs to implement such integrated education reform services. The Secretary is authorized to award a grant to Project GRAD, a non-profit educational organization that has as its purpose the improvement of secondary school, college attendance, and college completion rates for at-risk students, in order to implement and sustain the reforms at current Project GRAD sites and expand the program to new sites. Project GRAD shall enter into agreements with subcontractor nonprofit organizations that shall provide matching funds, and shall implement the Project GRAD programs, evaluate and improve the Project GRAD programs, carry out activities to increase public awareness of integrated education reform services to improve secondary school graduation, college attendance, and college comple-

tion rates, and carry out other activities directly related to increasing secondary school graduation, college attendance, and college completion rates.

This section also adds a provision to authorize the Secretary to award a grant or contract to an institution of higher education to establish and maintain a Center for best practices to support single parent students. The grant or contract shall be awarded to an institution of higher education with demonstrated expertise in relevant programs. The center shall assist institutions implementing innovative programs that support single parents pursuing higher education, develop an evaluation protocol for such programs, provide technical assistance for institutions implementing such programs, and develop and disseminate best practices regarding such programs.

This section also adds a provision to help institutions of higher caution understand the regulatory impact of the Federal Government on them. The Secretary is authorized to award a grant or contract to an institution of higher education with demonstrated relevant expertise, to monitor Federal regulations for their impact on higher education, provide a succinct description of each regulation or proposed regulation that is relevant to higher education, and maintain an easy-to-use website providing information on such Federal regulations that is searchable and regularly updated.

Finally, this section requires the Secretary to contract with an experienced nonprofit organization to implement a scholarship program for family members of veterans or members of the military. A dependent student is eligible if their parent is on active duty or performing certain duty in the National Guard during a war, military operation or national emergency, or if their parent was a veteran who died or became disabled while on duty since September 11, 2001. An independent student is eligible if their spouse is on active duty or performing certain duty in the National Guard during a war, military operation or national emergency, or if their spouse was a veteran who died or became disabled while on duty since September 11, 2001. The scholarships will be awarded based on need, with priority given to students eligible for Pell Grants. The maximum scholarship amount will be the lesser amount of either $5,000 or the difference between the student's cost of attendance and any non-loan based aid the student receives. One hundred percent of amounts appropriated for this scholarship program shall be used for the scholarships awarded.

Section 711. Special projects

Section 711 expands areas of national need to include improvements in academic instruction and student learning, including efforts designed to assess the learning gains made by postsecondary students; as well as the development, evaluation, and dissemination of model programs including model core curricula that provide students with a broad and integrated knowledge base, including broad survey courses in English literature, American and world history, American political institutions, economics, philosophy, college-level mathematics and natural sciences, and sufficient study of a foreign language to lead to reading and writing competency in that language.

Section 712. Authorization of appropriations for the fund for the improvement of postsecondary education

Section 712 authorizes such sums as may be necessary for fiscal year 2008 and the 5 succeeding fiscal years.

Section 713. Repeal of the Urban Community Service Program

Section 713 repeals the Urban Community Service Program.

Section 714. Grants for students with disabilities

Section 714 specifies that the teaching methods and strategies designed to teach students with disabilities authorized under these grants in current law must now meet the academic and programmatic needs of students with disabilities in order to improve retention and completion of postsecondary education.

The allowable activities under these grants are expanded to include the development of innovative and effective teaching methods and strategies to ensure the successful transition of students with disabilities from secondary schools to postsecondary education. Allowable activities are also expanded to include synthesizing research and information related to the provision of postsecondary educational services to students with disabilities, the use of data on the postsecondary education of and impact on subsequent employment of students with disabilities. Such research, information and data will be made publicly available and accessible.

Finally, the authorized activities under these grants are expanded to include activities to make postsecondary education more accessible to students with disabilities through: (1) 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; (2) training and support to secondary and postsecondary staff to encourage interest in and understanding of educational opportunities in, teaching skills, and offer work-based opportunities in disability-related fields, including students with disabilities. This training and support may include developing means to offer students credit-bearing, college-level coursework and career and educational counseling; and (3) curriculum development.

The Secretary will prepare and disseminate a report reviewing the demonstration projects and providing guidance and recommendations on how successful projects can be replicated.

A new subpart 2 is created and titled "Transition Programs for Students With Disabilities Into Higher Education; Coordinating Center." This new subpart will aim to support model demonstration programs that promote the successful transition of students with intellectual disabilities into higher education.

Under this subpart, the Secretary is authorized to award 5-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.

The Secretary shall enter into a 5-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 post-secondary programs for students with intellectual disabilities.

Section 715. Applications for demonstration projects to ensure students with disabilities receive a quality higher education

Section 715 specifies that each application will now include a description of how the applicant plans to address the activities allowed under this part. Each application will now include a description of the extent to which the institution will work to replicate the research and best practices of institutions of higher education with demonstrated success in serving students with disabilities.

Section 716. Authorization of appropriations for demonstration projects to ensure students with disabilities receive a quality higher education

Section 716 authorizes such sums as may be necessary for fiscal year 2008 and the 5 succeeding fiscal years.

Section 717. Research grants

Section 717 authorizes the Secretary to award competitive grants to eligible entities to develop or improve valid and reliable measures of student achievement for institutions of higher education to use in measuring and evaluating learning in higher education. Eligible entities include institutions of higher education, a State agency responsible for higher education, a recognized higher education accrediting agency or organization of higher education accreditation agencies, an eligible applicant described in Section 174(c) of the Education Sciences Reform Act of 2002 (such as a research organization or individual with demonstrated ability to carry out the necessary activities), and a consortium of any combination of these entities. Each eligible entity may use the grant funds to improve the quality, validity and reliability of existing assessments used by institutions of higher education; to develop measures of student achievement using multiple measures from multiple sources; to measure improvement in student achievement over time; to evaluate student achievement; to develop models of effective practices; and for a pilot or demonstration project of measures of student

achievement. An eligible entity that receives a grant under this section must match 50 percent of the amount received from the Federal grant with non-Federal sources in cash or in kind for each fiscal year. Funds under this section must supplement, not supplant, other Federal or State funds. The Secretary is required to report to Congress on the implementation of the grant program annually.

Title VIII—Miscellaneous

The purpose of this title is to provide new programs to offer opportunities for increased success in higher education. Each new part under section 801 is added to the end of the Higher Education Act of 1965.

Part A—Mathematics and science scholars program

This part authorizes the Secretary to award grants to States on a competitive basis to enable a State to award scholarships of up to $1,000 to students within that State who have completed a rigorous secondary school curriculum in mathematics or science. States are required to meet a 50 percent match of the Federal funds.

The students are eligible for the scholarships for their first 2 years of college, and governors may set a priority for awarding these scholarships to attract students who are underrepresented in mathematics, engineering and science fields, students in high-need school districts, or students who attend school districts that do not meet or exceed State mathematics and science standards or districts in regions in the State that have particular need.

Part B—Postsecondary education assessment

This part authorizes the Secretary to enter into a contract with an independent, bipartisan organization with specific expertise in public administration to complete an assessment of the cost factors associated with cost of tuition at institutions of higher education. The contract will begin not later than 90 days after the date of enactment of this act. The study shall consider the key elements that drive cost, identify and evaluate measures being used to control costs, identify other measures that should be utilized in the future and identify systemic approaches to monitor future postsecondary education cost trends and cost-control mechanisms.

Part C—Job skill training in high-growth occupations or industries

This part authorizes the Secretary to award competitive grants for up to 5 years to partnerships of institutions of higher education and a local Workforce Investment Board to provide relevant job training in high growth industries or occupations, including entrepreneurial efforts. The Secretary shall award grants to eligible partnerships to expand or create academic programs or programs to train individuals for high-growth occupations, to purchase equipment or create or expand distance programs that would facilitate those programs, and to conduct outreach to students and businesses to promote involvement in such programs. Priority will be given to institutions serving nontraditional students.

Part D—Additional capacity for R.N. students or graduate-level nursing students

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 4 years.

Part E—American history for freedom

This part authorizes the Secretary to award 3-year competitive grants to eligible institutions of higher education to establish or strengthen postsecondary academic programs or centers that promote the teaching of traditional American history, free institutions and the history and achievements of Western civilization. Funds may be used to design and implement programs of study, courses, lecture series, seminars and symposia; develop, publish and disseminate instructional materials; conduct research; conduct teacher preparation initiatives; and support fellowships. Grantees must increase access to quality programming that expands knowledge of American History and involve personnel with strong expertise in traditional American history.

Part F—Teach for America

This part 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 2 years in underserved schools. Grant funds will be used for recruitment, pre-service training and professional development during their first 2 years of teaching under this program. Teach for America shall submit an annual report and the Secretary shall conduct a study of the program outcomes.

Part G—Patsy T. Mink Fellowship Program

The Secretary shall 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 15 fellowships. Fellows shall sign an agreement to enter a contract to teach at an institution of higher education not later than 3 years after receiving the doctoral degree or highest possible

degree available. Individuals who do not enter the professoriate shall repay the fellowship.

Part H—Improving college enrollment by secondary schools

The Secretary shall contract with a not-for-profit organization to make available year-to-year higher education enrollment rate trends by secondary schools. The grant recipient shall have demonstrated expertise in increasing schoolwide 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 50 urban local educational agencies and 5 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 and the incentives in place to motivate faculty and students to improve school-wide outcomes, and strategies to mobilize student leaders and build college bound culture.

The nonprofit shall also provide comprehensive services to improve school-wide higher education enrollments of each of at least 10 local educational agencies and States that participated in the 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 I—Predominantly Black Institutions

This part 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 unrepresented, 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 large numbers of needy or Black students. Grants shall not be less than $250,000.

Part J—Early Childhood Education Professional Development and Career Task Force

This part authorizes a new competitive grant program for States. Grant funds shall be used to be used to establish State Early Childhood Education Professional Development and Career System Task Forces and to support the activities of such task force.

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 conducting 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 state-wide career system, including 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 2- and 4-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.

Part K—Improving science, technology, engineering, and mathematics education with a focus on Alaska Native and Native Hawaiian students

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, engineering, or mathematics, one or more institutions of higher education that offer 2-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 rel-

evant 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 1 or more programs in which 30 percent or more of the program participants are Alaska Native or Native Hawaiian.

This part authorizes such sums as may be necessary for fiscal year 2008 and the 5 succeeding fiscal years.

Part L—Pilot program to increase persistence in community colleges

This part authorizes the Secretary to award 5-year grants to community colleges, on a competitive basis, to enable them to provide additional monetary and non-monetary support to eligible students to help such students maintain enrollment and complete degree or certificate programs. Eligible students must be between the ages of 19 and 33, enrolled at least half time, have family incomes below 200 percent of the poverty line, and be the parent of at least one dependent child.

Institutions shall use grant funds to provide scholarships and dedicated counseling services, and may use such funds to conduct outreach to make students aware of the scholarships and counseling services available through the program and to encourage participation in the program; to provide nominal gifts to applicants who complete the application process, as an incentive and as compensation for the student's time; and to evaluate the success of the program. Scholarships funded under this section shall be in the amount of $1,000 a semester or $2,000 a year, disbursed at intervals over the course of the semester, and shall only be awarded to students who maintain at least half-time enrollment and a 2.0 or C grade point average.

Each institution receiving a grant under this section shall conduct an annual evaluation of the impact of the grant and shall provide the evaluation to the Secretary, who shall disseminate to the public best practices and lessons learned with respect to the evaluations. The evaluations shall be conducted using a random assignment research design.

This part authorizes such sums as may be necessary for fiscal year 2008 and the 5 succeeding fiscal years.

Part M—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 authorizes such sums as may be necessary for fiscal year 2008 and the 5 succeeding fiscal years.

Title IX—Amendments to Other Laws

Part A—Education of the Deaf Act

Section 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.

Section 902. Agreement with Gallaudet University

Section 902 updates the reference to the Davis-Bacon Act in this language.

Section 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, including construction and equipment, of a National Technical Institute for the Deaf. 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.

Section 904. Cultural experiences grants

Section 904 amends title I of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 *et seq.*) by adding at the end a new section 121 creating Cultural Experiences Grants. The section authorizes the Secretary to award competitive grants or contracts with eligible entitles to enrich the lives of deaf and hard-of-hearing children and adults; increase public understanding of deafness and the artistic and intellectual achievements of deaf and hard-of-hearing persons; and promote the integration of hearing, deaf, and hard-of-hearing persons through shared cultural, educational, and social experiences. Funds are authorized "as may be necessary" to carry out this section for fiscal year 2008 and each of the succeeding fiscal years.

Section 905. Audit

Section 905 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.

Section 906. Reports

Section 906 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 1 year after graduation or completion. Limits the requirements of the report as compared to current law.

Section 907. Monitoring, evaluation, and reporting

Section 907 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.

Section 908. Liaison for educational programs

This section 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 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.

Section 909. Federal endowment programs for Gallaudet University and the National Technical Institute for the Deaf

Section 909 extends the authorization of appropriations for fiscal years 2008 through 2013.

Section 910. Oversight and effect of agreements

Section 910 updates correct names of committees where relevant.

Section 911. International students

Section 911 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.

Section 912. Research priorities

Section 912 updates correct names of committees where relevant.

Section 913. Authorization of Appropriations

Section 913 extends the authorization of appropriations for fiscal year 2008 through 2013.

Part B—United States Institute of Peace Act

Section 921. United States Institute of Peace Act

Section 921 clarifies that the term of a member of the Board shall not commence until the member is confirmed by the Senate and sworn in as a member of the Board. It also extends the authorization of appropriations for the United States Institute of Peace for fiscal years 2008–13.

Part C—The Higher Education Amendments of 1998

Section 931. Repeals

Section 931 repeals the following sections of Title VII of the Higher Education Amendments of 1998: part A (Studies), part C (Community Scholarship Mobilization), part F (Improving U.S. Understanding of Science, Engineering and Technology in East Asia), part J (Web Based Education Commission), section 861 (Education Welfare Study) and section 863 (Sense of Congress Regarding Good Character).

Section 932. Grants to States for workplace and community-transition training for incarcerated youth offenders

Section 932 amends the Higher Education Amendments of 1998. It establishes a grant program to provide grants to State correctional agencies to assist and encourage youth offenders to acquire

functional literacy, life and job skills, through postsecondary education and employment counseling and other related services. A youth offender shall be eligible for participation in a program funded by this grant if he/she is 35 or younger, and is eligible to be released within 5 years. A youth offender who has been convicted of murder, or of a criminal offense against a minor or a sexually violent offense, as the terms are defined in the Jacob Wetterling Crimes Against Children and Sexually Violent Offender Registration Act, is not eligible for a grant under this section. An application for a grant under this section must identify the scope of the problem, list the educational institution(s), agencies and businesses that will provide services, describe specific performance objectives, and evaluation measures, among other information. State correctional agencies receiving such grants shall annually report to the Secretary regarding the results of such evaluations, as well as other objectives or requirements required by the Secretary; and must provide to each State for each student eligible not more than $3,000 annually for tuition, books and essential materials; and $300 annually for related services. Grant funds made available under this section shall be allocated among the State via a formula based on the number of eligible youthful offenders in each State.

Section 933. Underground railroad educational and cultural program

Section 933 extends the authorization of appropriations for fiscal years 2008 through 2013 for the Underground Railroad Educational and Cultural Program.

Section 934. Olympic scholarships under the higher education amendments of 1992

Section 934 extends the authorization of appropriations for fiscal years 2008 through 2013 for Olympic scholarships under the Higher Education Amendments of 1998.

Part D—Indian Education

SUBPART 1—TRIBAL COLLEGES AND UNIVERSITIES

Section 941. Reauthorization of the Tribally Controlled College or University Assistance Act of 1978

Section 941 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 10 contact hours in a quarter system, or 15 contact hours in the case of an institution with a semester system. These hours must be completed in an organized continuing education experience with 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 5 succeeding years. Authorize such sums as shall be necessary for fiscal year 2008 and the succeeding 5 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 necessary. Authorizes such funding for fiscal year 2008 and the succeeding 5 years.

Section 941(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.

States that this funding shall be provided in a lump sum payment for each applicable fiscal year. States 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.

States that funds made available under this title shall 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 Higher Education Amendments 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.

There are authorized to be appropriated for this new subsection such sums as may be necessary for fiscal year 2008 and 5 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, the Secretary shall 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; Public Law 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

Section 945. Short title

Section 945 states that this subpart is entitled the "Navajo Nation Higher Education Act of 2006."

Section 946. Reauthorization of Navajo Community College Act

Section 946 amends the purpose of the act so the purpose to assist the Navajo Nation in providing education to tribe members through a community college established by the tribe, known as Diné College.

This section also amends the Navajo Community College Act to require the Secretary to study the academic facilities needs of Diné 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 5 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.

IX. CHANGES IN EXISTING LAW

In compliance with rule XXVI paragraph 12 of the Standing Rules of the Senate, the following provides a print of the statute or the part or section thereof to be amended or replaced (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 [1]

PART A—DEFINITIONS

SEC. 101. [20 U.S.C. 1001] GENERAL DEFINITION OF INSTITUTION OF HIGHER EDUCATION.

(a) INSTITUTION OF HIGHER EDUCATION.—* * *

(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 graduate or professional degree program, subject to the review and approval by the Secretary*;

* * * * * * *

(b) ADDITIONAL INSTITUTIONS INCLUDED.—* * *

(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. [20 U.S.C. 1002] 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.—* * *

(i) * * *

(I)(aa) * * *

* * * * * * *

[(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 has continuously operated a clinical training program in not less than 1 State that is approved by such State;

* * * * * * *

(b) PROPRIETARY INSTITUTION OF HIGHER EDUCATION.—

(1) * * *

(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 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.

* * * * * * *

(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 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. 103. [20 U.S.C. 1003] 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.—* * *

(3) CRITICAL FOREIGN LANGUAGE.—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 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.

[(2)]*(4)* DEPARTMENT.—* * *

[(3)]*(5)* DISABILITY.—* * *

(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.—* * *

[(5)]*(8)* GIFTED AND TALENTED.—* * *

[(6)]*(9)* LOCAL EDUCATIONAL AGENCY.—* * *

[(7)]*(10)* NEW BORROWER.—* * *

[(8)]*(11)* NONPROFIT.—* * *

(12) 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.

[(9)]*(13)* SCHOOL OR DEPARTMENT OF DIVINITY.—* * *

* * * * * * *

[(10)]*(14)* SECONDARY SCHOOL.—* * *

[(11)]*(15)* SECRETARY.—* * *

[(12)]*(16)* SERVICE-LEARNING.—* * *

[(13)]*(17)* SPECIAL EDUCATION TEACHER.—* * *

[(14)]*(18)* STATE EDUCATIONAL AGENCY.—* * *

[(15)]*(19)* STATE HIGHER EDUCATION AGENCY.—* * *

[(16)]*(20)* STATE; FREELY ASSOCIATED STATES.—* * *

* * * * * * *

SEC. 112. [20 U.S.C. 1011a] PROTECTION OF STUDENT SPEECH AND ASSOCIATION RIGHTS.

(a) PROTECTION OF RIGHTS.—*(1)* It is the sense of Congress that no student attending an institution of higher education on a full- or part-time basis should, on the basis of participation in protected speech or protected association, be excluded from participation in, be denied the benefits of, or be subjected to discrimination or official sanction under any education program, activity, or division of the institution directly or indirectly receiving financial assistance under this Act, whether or not such program, activity, or division is sponsored or officially sanctioned by the institution.

(2) It is the sense of Congress that—

(A) the diversity of institutions and educational missions is one of the key strengths of American higher education;

(B) individual colleges and universities have different missions and each institution should design its academic program in accordance with its educational goals;

(C) a college should facilitate the free and open exchange of ideas;

(D) students should not be intimidated, harassed, discouraged from speaking out, or discriminated against;

(E) students should be treated equally and fairly; and

(F) nothing in this paragraph shall be construed to modify, change, or infringe upon any constitutionally protected religious liberty, freedom, expression, or association.

(b) CONSTRUCTION.—Nothing in this section shall be construed—

(1) to discourage the imposition of an official sanction on a student that has willfully participated in the disruption or attempted disruption of a lecture, class, speech, presentation, or performance made or scheduled to be made under the auspices of the institution of higher education*, or provided that the imposition of such sanction is done objectively and fairly*: or

* * * * * * *

[SEC. 114. [20 U.S.C. 1011c] 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. ACCREDITATION AND INSTITUTIONAL QUALITY AND INTEGRITY COMMITTEE.

(a) ESTABLISHMENT.—There is established in the Department an Accreditation and Institutional Quality and Integrity Advisory Committee (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 15 members, of which—

(A) 5 members shall be appointed by the Secretary;

(B) 5 members shall be appointed by the Speaker of the House of Representatives upon the recommendation of the majority leader and minority leader of the House of Representatives; and

(C) 5 members shall be appointed by the President pro tempore of the Senate upon the recommendation of the majority leader and minority leader of the Senate.

(2) QUALIFICATIONS.—Individuals shall be appointed as members of the Committee on—

(A) 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, representatives of 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.—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 occurred. 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) 2 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; and

(6) carry out such other advisory functions relating to accreditation and institutional eligibility as the Secretary may prescribe in regulation.

(d) MEETING PROCEDURES.—

(1) SCHEDULE.—

(A) BIANNUAL MEETINGS.—The Committee shall meet not less often than twice each year, at the call of the Chairperson.

(B) PUBLICATION OF DATE.—The Committee shall submit the date and location of each meeting in advance to the Secretary, and the Secretary shall publish such information in the Federal Register not later than 30 days before the meeting.

(2) AGENDA.—

(A) ESTABLISHMENT.—The agenda for a meeting of the Committee shall be established by the Chairperson and shall be submitted to the members of the Committee upon notification of the meeting.

(B) OPPORTUNITY FOR PUBLIC COMMENT.—The agenda shall include, at a minimum, opportunity for public comment during the Committee's deliberations.

(3) SECRETARY'S DESIGNEE.—

(A) ATTENDANCE AT MEETING.—The Chairperson shall invite the Secretary's designee to attend all meetings of the Committee.

(B) ROLE OF DESIGNEE.—The Secretary's designee may be present at a Committee meeting to facilitate the exchange and free flow of information between the Secretary and the

Committee. The designee shall have no authority over the agenda of the meeting, the items on that agenda, or on the resolution of any agenda item.

(4) 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) 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.

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

* * * * * * *

SEC. 120. [20 U.S.C. 1011i] DRUG AND ALCOHOL ABUSE PREVENTION.

*(a) RESTRICTION ON ELIGIBILITY.— * * **

(1) the annual distribution to each student and employee of—

*(A) * * **

* * * * * * *

(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.

* * * * * * *

SEC. 121. [20 U.S.C. 1011j] 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] *2008 and for each succeeding fiscal year* to pay obligations incurred prior to 1987 under parts C and 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] *2008 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—

* * * * * * *

PART C—COST OF HIGHER EDUCATION

SEC. 131. [20 U.S.C. 1015] 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

* * * * * * *

SEC. 132. 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, 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 Higher Education Amendments of 2007, the

Commission of 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.

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

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

(B) 4-year private degree-granting institutions of higher education.

(C) 2-year public degree-granting institutions of higher education.

(D) 2-year private degree-granting institutions of higher education.

(E) Less than 2-year institutions of higher education.

(F) All types of institutions described in subparagraphs (A) through (E).

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such suns as may be necessary.

(c) REPORTING.—

(1) IN GENERAL.—The Secretary shall annually report, in a national list and in a list for each State, a ranking of institutions of higher education according to such institutions' change in tuition and fees over the preceding 2 years. The purpose of such lists is to provide consumers with general information on pricing trends among institutions of higher education nationally and in each State.

(2) COMPILATION.—

(A) IN GENERAL.—The lists described in paragraph (1) shall be compiled according to the following categories:

(i) 4-year public institutions of higher education.

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

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

(iv) 2-year public institutions of higher education.

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

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

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

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

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

(B) PERCENTAGE AND DOLLAR CHANGE.—The lists described in paragraph (1) shall include 2 lists for each of the categories under subparagraph (A) as follows:

(i) 1 list in which data is compiled by percentage change in tuition and fees over the preceding 2 years.

(ii) 1 list in which data is compiled by dollar change in tuition and fees over the preceding 2 years.

(3) HIGHER EDUCATION PRICE INCREASE WATCH LISTS.—Upon completion of the development of the higher education price indices described in paragraph (1), the Secretary shall annually report, in a national list, and in a list for each State, a ranking of 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 List";

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

(C) 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

(D) be compiled by the Secretary in a public document to be widely published and disseminated in paper form and through the website of the Department.

(4) STATE HIGHER EDUCATION APPROPRIATIONS CHART.—The Secretary shall annually report, 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 a public institution of higher education in the State.

(5) SHARING OF INFORMATION.—The Secretary shall, share the information under paragraphs (1) through (4) with the public, including with private sector college guidebook publishers.

(d) NET PRICE CALCULATOR.—

(1) DEVELOPMENT.—Not later than 1 year after the date of enactment of the Higher Education Amendments 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 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.

(3) USE OF NET PRICE CALCULATOR BY INSTITUTIONS.—Not later than 3 years after the date of enactment of the Higher Education Amendments 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.

(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as may be necessary.

(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 INFORMATION WEBSITE.—

(1) IN GENERAL.—

(A) IN GENERAL.—Not later than 90 days after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall contract with an independent organization with demonstrated experience in the development of consumer-friendly websites to develop improvements to the website known as the College Opportunities On-Line (COOL) so that it better meets the needs of students, families, and consumers for accurate and appropriate information on institutions of higher education.

(B) IMPLEMENTATIONS.—Not later than 1 year after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall implement the improvements developed by the independent organization described under subparagraph (A) to the college information website.

(2) UNIVERSITY AND COLLEGE ACCOUNTABILITY NETWORK.—Not later than 1 year after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall develop a model document for annually reporting basic information about an institution of higher education that chooses to participate, to be posted on the college information website 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- 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) The 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 at the institution.

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

(O) The percentage change in total price in tuition and fees and the net price for an undergraduate at the institution in each of the preceding 5 academic years.

(P) The 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) The average yearly grant amount (including Federal, State, and institutional aid) for a student enrolled at the institution.

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

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

(T) The 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) The average net price for all undergraduate students enrolled at the institution.

(V) The percentage of first-year undergraduate students enrolled at the institution who live on campus and off campus.

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

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

(Y) 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 lift on campus, and lectures and outside learning opportunities.

(Z) 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.

(3) 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 paragraphs (1) and (2).

(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as may be necessary.

(g) GAO REPORT.—The Comptroller General of the United States shall—

(1) conduct a study on the time and cost burdens to institutions of higher education associated with completing the Integrated Postsecondary Education Data System (IPEDS), which study shall—

(A) report on the time and cost burden of completing the IPEDS survey for 4-year, 2-year, and less than 2-year institutions of higher education; and

(B) present recommendations for reducing such burden;

(2) not later than 1 year after the date of enactment of the Higher Education Amendments of 2007, submit to Congress a

preliminary report regarding the findings of the study described in paragraph (1); and

(3) not later than 2 years after the date of enactment of the Higher Education Amendments of 2007, submit to Congress a final report regarding such findings.

* * * * * * *

SEC. 133. DATABASE OF STUDENT INFORMATION PROHIBITED.

(a) PROHIBITION.—Except as described in (b), nothing in this Act shall be construed to authorize the development, implementation, or maintenance of a Federal database of personally identifiable information on individuals receiving assistance under this Act, attending institutions receiving assistance under this Act, or otherwise involved in any studies or other collections of data under this Act, including a student unit record system, an education bar code system, or any other system that tracks individual students over time.

(b) EXCEPTION.—The provisions of subsection (a) shall not affect the loan obligation enforcement activities described in section 485B.

(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. 134. CLEAR AND EASY-TO-FIND INFORMATION ON STUDENT FINANCIAL AID.

(a) PROMINENT DISPLAY.—The Secretary shall ensure that a link to current student financial aid information is displayed prominently on the home page of the Department website.

(b) ENHANCED STUDENT FINANCIAL AID INFORMATION.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall contract with an independent organization with demonstrated expertise in the development of consumer-friendly websites to develop improvements to the usefulness and accessibility of the information provided by the Department on college financial planning and student financial aid.

(2) IMPLEMENTATION.—Not later than 1 year after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall implement the improvements developed by the independent organization described under paragraph (1) to the college financial planning and student financial aid website of the Department.

(3) DISSEMINATION.—The Secretary shall make the availability of the information on the website widely known through a major media campaign and other forms of communication.

* * * * * * *

PART D—ADMINISTRATIVE PROVISIONS FOR DELIVERY OF STUDENT FINANCIAL ASSISTANCE

SEC. 141. [20 U.S.C. 1018] PERFORMANCE-BASED ORGANIZATION FOR THE DELIVERY OF FEDERAL STUDENT FINANCIAL ASSISTANCE.

(a) ESTABLISHMENT AND PURPOSE.—

(1) ESTABLISHMENT.—There is established in the Department a Performance-Based Organization (hereafter referred to as the "PBO") which shall be a discrete management unit responsible for managing the [operational]*administrative and oversight* functions supporting the programs authorized under title IV of this Act, as specified in subsection (b).

(2) * * *

(A) * * *

* * * * * * *

(D) to provide greater flexibility in the management [of the operational functions]*and administration* of the Federal student financial assistance programs;

* * * * * * *

(b) GENERAL AUTHORITY.—

(1) * * *

(A) request the advice of, and work in cooperation with, the Chief Operating Officer in developing regulations, policies, administrative guidance, or procedures affecting [the information systems administered by the PBO, and other functions performed by the PBO]*the Federal student financial assistance programs authorized under title IV*;

* * * * * * *

[(C) assist the Chief Operating Officer in identifying goals for the administration and modernization of the delivery system for student financial assistance under title IV.]

(C) assist the Chief Operating Officer in identifying goals for—

(i) the administration of the systems used to administer the Federal student financial assistance programs authorized under title IV; and

(ii) the updating of such systems to current technology.

(2) PBO FUNCTIONS.—Subject to paragraph (1), the PBO shall be responsible for [administration of the information and financial systems that support]*the administration of Federal* student financial assistance programs authorized under this title, excluding the development of policy relating to such programs but including the following:

(A) The administrative, accounting, and financial management functions [of the delivery system for Federal student assistance],*for the Federal student assistance programs authorized under title IV*, including—

[(i) the collection, processing and transmission of applicant data to students, institutions and authorized third parties, as provided for in section 483;

[(ii) design and technical specifications for software development and systems supporting the delivery of student financial assistance under title IV;]

(i) the collection, processing, and transmission of data to students, institutions, lenders, State agencies, and other authorized parties;

(ii) the design and technical specifications for software development and procurement for systems supporting the student financial assistance programs authorized under title IV;

(iii) all software and hardware acquisitions and all information technology contracts related to the [delivery]*administration* and management of student financial assistance under title IV;

(iv) all aspects of contracting for the information and financial systems supporting *the* student financial assistance programs under this title; [and]

(v) providing all customer service, training, and user support related to [systems that support those programs.]*the administration of the Federal student assistance programs authorized under title IV; and*

(vi) ensuring the integrity of the student assistance programs authorized under title IV.

(B) Annual development of a budget for the [operations and services]*activities and functions* of the PBO, in consultation with the Secretary, and for consideration and inclusion in the Department's annual budget submission.

* * * * * * *

(c) [PERFORMANCE PLAN AND REPORT]*PERFORMANCE PLAN, REPORT, AND BRIEFING.*—

(1) PERFORMANCE PLAN.—

(A) IN GENERAL.—* * *

* * * * * * *

(C) AREAS.—* * *

(i) * * *

* * * * * * *

(iii) IMPROVEMENT AND INTEGRATION OF SUPPORT SYSTEMS.—Improving and integrating the [information and delivery] systems that support those programs.

(iv) DELIVERY AND INFORMATION SYSTEM.—[Developing an]*Developing* open, common, and integrated [delivery and information system]*systems* for programs authorized under this title.

(v) * * *

(2) ANNUAL REPORT.—* * *

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

(B) Financial and performance requirements applicable to the PBO under the Chief Financial [Officer]*Officers* Act of 1990 and the Government Performance and Results Act of 1993.

* * * * * * *

(3) CONSULTATION WITH STAKEHOLDERS.—The Chief Operating Officer, in preparing the report described in paragraph (2), shall establish appropriate means to consult with *students,* borrowers, institutions, lenders, guaranty agencies, secondary markets, and others involved in the delivery system of student aid under this title—

* * * * * * *

(4) BRIEFING ON ENFORCEMENT OF STUDENT LOAN PROVISIONS.—The Chief Operating Officer shall provide an annual briefing to the members of the authorizing committees on the steps the PBO has taken and is taking to ensure that lenders are providing the information required under clauses (iii) and (iv) of section 428(c)(3)(C) and sections 428(b)(1)(Z) and 428C(b)(1)(F).

(d) CHIEF OPERATING OFFICER.—

(1) APPOINTMENT.—The management of the PBO shall be vested in a Chief Operating Officer who shall be appointed by the Secretary to a term of not less than 3 and not more than 5 years, and compensated without regard to chapters 33, 51, and 53 of title 5, United States Code. [The Secretary shall appoint the Chief Operating Officer within 6 months after the date of enactment of the Higher Education Amendments of 1998.] The appointment shall be made on the basis of demonstrated management ability and expertise in information technology, including experience with financial systems, and without regard to political affiliation or activity.

* * * * * * *

(4) PERFORMANCE AGREEMENT.—

(A) IN GENERAL.—* * *

(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.

(5) COMPENSATION.—

(A) IN GENERAL.—* * *

(B) BONUS.—In addition, the Chief Operating Officer may receive a bonus in an amount that does not exceed 50 percent of such annual rate of basic pay, based upon the Secretary's evaluation of the Chief Operating Officer's performance in relation to the goals set forth in the performance agreement described in [paragraph (2)]*paragraph (4)*.

(C) PAYMENT.—Payment of a bonus under [this] subparagraph (B) may be made to the Chief Operating Officer only to the extent that such payment does not cause the Chief Operating Officer's total aggregate compensation in a calendar year to equal or exceed the amount of the President's salary under section 102 of title 3, United States Code.

* * * * * * *

(f) STUDENT LOAN OMBUDSMAN.—

(1) * * *

(2) PUBLIC INFORMATION.—The Chief Operating Officer shall disseminate information about the availability and functions of the Ombudsman [to borrowers]*to students, borrowers,* and potential borrowers, as well as institutions of higher education, lenders, guaranty agencies, loan servicers, and other participants in those student loan programs.

(3) FUNCTIONS OF OMBUDSMAN.—The ombudsman shall—

(A) in accordance with regulations of the Secretary, receive, review, and attempt to resolve informally complaints from borrowers of loans described in paragraph (1), including, as appropriate, attempts to resolve such complaints within the Department of Education and with institutions of higher education, lenders, guaranty agencies, loan servicers, and other participants in the loan programs described in paragraph [(1)(A)]*(1)*; and

* * * * * * *

(g) PERSONNEL FLEXIBILITY.—

(1) * * *

(2) * * *

(3) EXCEPTED SERVICE.—The Chief Operating Officer may appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, [not more than 25] technical and professional employees to administer the functions of the PBO. These employees may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(h) ESTABLISHMENT OF A FAIR AND EQUITABLE SYSTEM FOR MEASURING STAFF PERFORMANCE.—The PBO shall establish an annual performance management system, subject to compliance with title 5, United States Code and consistent with applicable provisions of law and regulations, which strengthens the [organizational effectiveness]*effectiveness* of the PBO by providing for establishing goals or objectives for individual, group, or organizational performance (or any combination thereof), consistent with the performance plan of the PBO and it performance planning procedures, including those established under the Government Performance and Results Act of 1993, and communicating such goals or objectives to employees.

[(i) REPORT.—The Secretary and the Chief Operating Officer, not later than 180 days after the date of enactment of the Higher Education Amendments of 1998, shall report to Congress on the proposed budget and sources of funding for the operation of the PBO.]

[(j)]*(i)* AUTHORIZATION OF APPROPRIATIONS.—The Secretary shall allocate from funds made available under section 458 such funds as are appropriate to the functions assumed by the PBO. In addition, there are authorized to be appropriated such sums as may be necessary to carry out the purposes of this part[, including transition costs].

* * * * * * *

SEC. 142. [20 U.S.C. 1018a] PROCUREMENT FLEXIBILITY.

(a) PROCUREMENT AUTHORITY.—* * *

(b) IN GENERAL.—* * *

(1) enter into contracts [for information systems supporting the programs authorized under title IV] to carry out the functions set forth in section 141(b)(2); [and]

(2) obtain the services of experts and consultants without regard to section 3109 of title 5, United States Code and set pay in accordance with such section[.]*; and*

(3) through the Chief Operating Officer—

(A) to the maximum extent practicable, utilize procurement systems that streamline operations, improve internal controls, and enhance management; and

(B) assess the efficiency of such systems and assess such systems' ability to meet PBO requirements.

(c) SERVICE CONTRACTS.—

(1) * * *

[(2) FEE FOR SERVICE ARRANGEMENTS.—The Chief Operating Officer shall, when appropriate and consistent with the purposes of the PBO, acquire services related to the title IV delivery system from any entity that has the capability and capacity to meet the requirements for the system. The Chief Operating Officer is authorized to pay fees that are equivalent to those paid by other entities to an organization that provides an information system or service that meets the requirements of the PBO, as determined by the Chief Operating Officer.]

(2) FEE FOR SERVICE ARRANGEMENTS.—The Chief Operating Officer shall, when appropriate and consistent with the purposes of the PBO, acquire services related to the functions set forth in section 141(b)(2) from any entity that has the capability and capacity to meet the requirements set by the PBO. The Chief Operating Officer is authorized to pay fees that are equivalent to those paid by other entities to an organization that provides services that meet the requirements of the PBO, as determined by the Chief Operating Officer.

(d) TWO-PHASE SOURCE-SELECTION PROCEDURES.—

(1) IN GENERAL.—* * *

(2) * * *

(A) * * *

* * * * * * *

(B) INFORMATION SUBMITTED BY OFFERORS.—Each offeror for the procurement shall submit basic information, such as information on the offeror's qualifications, the proposed conceptual approach, costs likely to be associated with the proposed conceptual approach, and past performance of the offeror[on Federal Government contracts], together with any additional information that is requested by the contracting officer.

* * * * * * *

(g) MODULAR CONTRACTING.—

(1) IN GENERAL.—* * *

* * * * * * *

(4) PROCEDURES.— * * *

(A) [SOLE SOURCE.—]*SINGLE-SOURCE BASIS.*—Award of the contract on a [sole-source].*single-source* basis to a contractor who was awarded a contract for a module pre-

viously procured for the system under competitive procedures or procedures authorized under subparagraph (B).

* * * * * * *

(7) SIMPLIFIED SOURCE-SELECTION PROCEDURES.—The PBO may award a contract under any other simplified procedures prescribed by the PBO for the selection of sources for the procurement of modules for a system, after the first module, that are not to be procured under a contract awarded on a [sole-source]*single-source* basis.

(h) USE OF SIMPLIFIED PROCEDURES FOR SMALL BUSINESS SET-ASIDES FOR SERVICES OTHER THAN COMMERCIAL ITEMS.—

(1) * * *

* * * * * * *

(2) INAPPLICABILITY TO CERTAIN PROCUREMENTS.—* * *

(A) an award of a contract on a [sole-source]*single-source* basis; or

* * * * * * *

(l) DEFINITIONS.—In this section:

(1) * * *

* * * * * * *

[(3) SOLE-SOURCE BASIS.—The term "sole-source basis", with respect to an award of a contract, means that the contract is awarded to a source after soliciting an offer or offers from, and negotiating with, only that source.]

(3) SINGLE-SOURCE BASIS.—The term "single-source basis", with respect to an award of a contract, means that the contract is awarded to a source after soliciting an offer or offers from, and negotiating with, only such source (although such source is not the only source in the marketplace capable of meeting the need) because such source is the most advantageous source for purposes of the award.

* * * * * * *

PART E—LENDER AND INSTITUTION REQUIREMENTS RELATING TO EDUCATIONAL LOANS

SEC. 151. DEFINITIONS.

In this part:

(1) COST OF ATTENDANCE.—The term "cost of attendance" has the meaning given the term in section 472.

(2) COVERED INSTITUTION.—The term "covered institution"—

(A) means any educational institution that offers a post-secondary educational degree, certificate, or program of study (including any institution of higher education, as such term is defined in section 102) and receives any Federal funding or assistance; and

(B) includes any employee or agent of the educational institution or any organization or entity affiliated with, or directly or indirectly controlled by, such institution.

(3) EDUCATIONAL LOAN.—The term "educational loan" means any loan made, insured, or guaranteed under title IV.

(4) EDUCATIONAL LOAN ARRANGEMENT.—The term "educational loan arrangement" means an arrangement or agreement between a lender and a covered institution—

(A) 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

(B) which arrangement or agreement—

(i) relates to the covered institution recommending, promoting, endorsing, or using educational loans of the lender; and

(ii) involves the payment of any fee or provision of other material benefit by the lender to the institution or to groups of students who attend the institution.

(5) LENDER.—The term "lender"—

(A) means—

(i) any lender—

(I) of a loan made, insured, or guaranteed under part B of title IV; and

(II) that is a financial institution, as such term is defined in section 509 of the Gramm-Leach-Bliley Act (15 U.S.C. 6809); and

(ii) in the case of any loan issued or provided to a student under part D of title IV, the Secretary; and

(B) includes any individual, group, or entity acting on behalf of the lender in connection with an educational loan.

(6) OFFICER.—The term "officer" includes a director or trustee of an institution.

SEC. 152. REQUIREMENTS FOR LENDERS AND INSTITUTIONS PARTICIPATING IN EDUCATIONAL LOAN ARRANGEMENTS.

(a) USE OF LENDER NAME.—A covered institution that enters into an educational loan arrangement shall disclose the name of the lender in documentation related to the loan.

(b) DISCLOSURES.—

(1) DISCLOSURES BY LENDERS.—Before a lender issues or otherwise provides an educational loan to a student, the lender shall provide the student, in writing, with the disclosures described in paragraph (2).

(2) DISCLOSURES.—The disclosures required by this paragraph shall include a clear and prominent statement—

(A) of the interest rates of the educational loan being offered;

(B) showing sample educational loan costs, disaggregated by type;

(C) that describes, with respect to each type of educational loan being offered—

(i) the types of repayment plans that are available;

(ii) whether; and under what conditions, early repayment may be made without penalty;

(iii) when and how often interest on the loan will be capitalized;

(iv) the terms and conditions of deferments or forbearance;

(v) all available repayment benefits, the percentage of all borrowers who qualify for such benefits, and the

percentage of borrowers who received such benefits in the preceding academic year, for each type of loan being offered;

(vi) the collection practices in the case of default; and

(vii) all fees that the borrower may be charged, including late payment penalties and associated fees; and

(D) of such other information as the Secretary may require in regulations.

(c) DISCLOSURES TO THE SECRETARY BY LENDER.—

(1) IN GENERAL.—Each lender shall, on an annual basis, report to the Secretary any reasonable expenses paid or given under section 435(d)(5)(D), 487(a)(21)(A)(ii), or 487(a)(21)(A)(iv) to any employee who is employed in the financial aid office of a covered institution, or who otherwise has responsibilities with respect to educational loans or other financial aid of the institution. Such reports shall include—

(A) the amount of each specific instance in which the lender provided such reimbursement;

(B) the name of the financial aid official or other employee to whom the reimbursement was made;

(C) the dates of the activity for which the reimbursement was made; and

(D) a brief description of the activity for which the reimbursement was made.

(2) REPORT TO CONGRESS.—The Secretary shall compile the information in paragraph (1) in a report and transmit such report to the authorizing committees annually.

SEC. 153. INTEREST RATE REPORT FOR INSTITUTIONS AND LENDERS PARTICIPATING IN EDUCATIONAL LOAN ARRANGEMENTS.

(a) SECRETARY DUTIES.—

(1) REPORT AND MODEL FORMAT.—Not later than 180 days after the date of enactment of the Higher Education Amendments 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) include in the report a model format, based on the report's findings, to be used by lenders and covered institutions in carrying out subsections (b) and (c)—

(i) that 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 loans provided to such students or parents by the lender, including—

(I) the interest rate and terms and conditions of the loans offered by the lender for the upcoming academic year;

(II) with respect to such loans, any benefits that are contingent on the repayment behavior of the borrower;

(III) the average amount borrowed from the lender by students enrolled in the institution who obtain loans of such type from the lender for the preceding academic year;

(IV) the average interest rate on such loans provided to such students for the preceding academic year; and

(V) the amount that the borrower may repay in interest, based on the standard repayment period of a loan, on the average amount borrowed from the lender by students enrolled in the institution who obtain loans of such type from the lender for the preceding academic year; and

(ii) which format shall be easily usable by lenders, institutions, guaranty agencies, loan servicers, parents, and students; and

(C)(i) submit the report and model format to the authorizing committees; and

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

(2) USE OF FORM.—The Secretary shall take such steps as necessary to make the model format available to covered institutions and to encourage—

(A) lenders subject to subsection (b) to use the model format in providing the information required under subsection (b); and

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

(b) LENDER DUTIES.—Each lender that has an educational loan arrangement with a covered institution shall annually, by a date determined by the Secretary, provide to the covered institution and to the Secretary the information included on the model format for each type of educational loan provided by the lender to students attending the covered institution, or the parents of such students, for the preceding academic year.

(c) COVERED INSTITUTION DUTIES.—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 an educational loan 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 format 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.

* * * * * * *

TITLE II—TEACHER QUALITY ENHANCEMENT

[PART A—TEACHER QUALITY ENHANCEMENT GRANTS FOR STATES AND PARTNERSHIPS

[SEC. 201. [20 U.S.C. 1021] 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 area in an 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. [20 U.S.C. 1022] 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 enable 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—

[(l) 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. [20 U.S.C. 1023] 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 teacher'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. [20 U.S.C. 1024] 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 enable 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. [20 U.S.C. 1025] 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. [20 U.S.C. 1026] 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 professional 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) EVOCATION 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 ye 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 Sec-

retary'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. [20 U.S.C. 1027] 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 an 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 within 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 certification 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. [20 U.S.C. 1028] 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 includes 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. [20 U.S.C. 1029] 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. [20 U.S.C. 1030] 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 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 institutions of higher education accountable for preparing highly qualified teachers; and

(4) recruit qualified individuals, including minorities and 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 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(e)(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 prenumeracy), 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) 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; 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.

(8) 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.

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

(10) HIGH-NEED EARLY CHILDHOOD EDUCATION PROGRAM.—The term "high-need early childhood education program" means an early childhood education program that is among the highest 25 percent of early childhood programs in the geographic

area served by the local educational agency in the partnership, in terms of the percentage of students from families with incomes below the poverty line.

(11) 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 whose schools are designated with a school locale code of 6, 7, or 8, 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.

(12) HIGH-NEED SCHOOL.—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 6, 7, or 8, as determined by the Secretary.

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

(A) with specialized education and training in development and education of young children from birth until entry into kindergarten;

(B) with—

(i) a baccalaureate degree in an academic major in the arts and sciences; or

(ii) an associate's degree in a related educational area; and

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

(14) 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.

(15) 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 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 on 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) Regular evaluation of the new teacher.

(16) 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.

(17) 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 assess meats 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 high academic standards 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.

(18) PRINCIPLES OF SCIENTIFIC RESEARCH.—The term "principles of scientific research" means research that—

(A) applies rigorous, systematic, and objective methodology to obtain reliable and valid knowledge relevant to education activities and programs;

(B) presents findings and makes claims that are appropriate to and supported by the methods that have been employed; and

(C) includes, appropriate to the research being conducted—

(i) use of systematic, empirical methods that draw on observation or experiment;

(ii) use of data analyses that are adequate to support the general findings;

(iii) reliance on measurements or observational methods that provide reliable and generalizable findings;

(iv) claims of causal relationships only in research designs that substantially eliminate plausible competing explanations for the obtained results, which may include but shall not be limited to random-assignment experiments;

(v) presentation of studies and methods in sufficient detail and clarity to allow for replication or, at a minimum, to offer the opportunity to build systematically on the findings of the research;

(vi) acceptance by a peer-reviewed journal or critique by a panel of independent experts through a comparably rigorous, objective, and scientific review; and

(vii) use of research designs and methods appropriate to the research question posed.

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

(20) SCIENTIFICALLY VALID RESEARCH.—The term "scientifically valid research" includes applied research, basic research, and field-initiated research in which the rationale, design, and interpretation are soundly developed in accordance with accepted principles of scientific research.

(21)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;

(C) provides regular and ongoing opportunities for mentors and mentees to observe each others 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 mentoring to each mentee by a colleague who teaches in the same field, grade, or subject as the mentee;

(E) 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

(F) includes—

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

(ii) joint professional development opportunities.

(22) 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, on 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;

(E) effectively manage a classroom;

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

(G) use age-appropriate strategies and practices for children, including in early childhood education programs.

(23) 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 courses may be taught by local educational agency personnel or residency program faculty, in the teaching of the content area in which the teacher will become certified or licensed;

(C) acquires effective teaching skills; and

(D) prior to completion of the program, 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 208, 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 the extent to which the program will prepare prospective and new teachers to understand research and data and the applicability of research and data 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 related sources;

(B) the intended use of the grant funds;

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

(6) a description of——

(A) how the 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) early learning standards for early childhood education programs, as applicable, of the State in which the partnership is located; and

(ii) the 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 faculty at the partner institution will work with, during the term of the grant, 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;

(F) how the partnership will design, implement, or enhance a year-long, rigorous, and enriching teaching preservice clinical program component;

(G) the in-service professional development strategies and activities to be supported; and

(H) 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 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;

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

(C) 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; 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 part 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), or both 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, and teachers of students who are limited English proficient who may teach multiple subjects);

(II) such teachers and, as applicable, early childhood educators, to understand empirically based practice and scientifically valid research on teaching and learning and its applicability, and to use technology effectively, including the use of instructional techniques 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 the 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; and

(V) 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;

(iv) developing and implementing an induction program; and

(v) developing admissions goals and priorities with the hiring objectives of the high-need local educational agency in the eligible partnership.

(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.

(C) Provide high-quality teacher mentoring.

(D)(i) Be offered over the course of a programs 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 de-

scribed in this paragraph or paragraph (1) or (2), 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 to ensure that the eligible partnership is able to recruit qualified individuals to become highly qualified teachers through the activities of the eligible partnership.

(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 preservice 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 paragraph shall be a program based

upon models of successful teaching residencies that serves as a mechanism to prepare teachers for success in the high-need schools in the eligible partnership, and shall be designed to include the following characteristics of successful programs:

(i) The integration of pedagogy, classroom practice, and teacher mentoring.

(ii) Engagement of teaching residents in rigorous graduate-level coursework 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 coursework;

(II) who shall have extra responsibilities as a teacher leader of the teaching residency program, as a mentor for residents, and as a teacher coach during the induction program for 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.

(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.

(B) SELECTION OF INDIVIDUALS AS TEACHER RESIDENTS.—

(i) ELIGIBLE INDIVIDUAL.—In order to be eligible to be a teacher resident in a teaching residency program under this paragraph, an individual shall—

(I) be a recent graduate of a 4-year institution of higher education or a mid-career professional 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 subparagraph 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) 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.

(g) 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.

(h) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities under this section.

SEC. 203. ADMINISTRATIVE PROVISIONS.

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

(1) DURATION.—A grant awarded under this part shall be awarded for a period of 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 applications from broad-based eligible partnerships that involve businesses and community organizations; and

(B) 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 under represented groups;

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

(D) the percentage of 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; and

(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.

(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 under this part 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 Secretary's findings regarding the 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 coursework 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 completed the teacher preparation program after enrolling in the program, which shall be made available widely and publicly by the State;

(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 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 207(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 decisionmaking for the purpose of increasing student academic achievement.

(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 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 in order 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 coursework 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 completed the teacher preparation program after enrolling in the program, which shall be made available widely and publicly by the State.

(E) A description of alternative routes to State 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 indi21 victuals 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 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 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 decisionmaking for the purpose of increasing student academic achievement.

(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) 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 (J) 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.

(d) 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. STATE FUNCTIONS.

(a) STATE ASSESSMENT.—In order to receive funds under this Act, a State shall have in place a procedure 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 levels of performance shall be determined solely by the State and may include criteria based on information collected pursuant to this part. Such assess meat shall be described in the report under section 205(b).

(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. 207. GENERAL PROVISIONS.

(a) METHODS.—In complying with sections 205 and 206, 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, and 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 teachers; and 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.

SEC. 208. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

* * * * * * *

PART C—GENERAL PROVISIONS

SEC. 231. LIMITATIONS.

(a) FEDERAL CONTROL PROHIBITED.—Nothing in this title 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 title.

(b) NO CHANGE IN STATE CONTROL ENCOURAGED OR REQUIRED.—Nothing in this title 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.

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

* * * * * * *

TITLE III—INSTITUTIONAL AID

SEC. 301. [20 U.S.C. 1051] FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) * * *

* * * * * * *

PART A—STRENGTHENING INSTITUTIONS

SEC. 311. [20 U.S.C. 1057] PROGRAM PURPOSE.

(a) GENERAL AUTHORIZATION.—* * *

(b) GRANTS AWARDED; SPECIAL CONSIDERATION.—(1) From the sums available for this part under section 399(a)(1), the Secretary may award grants to a 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 institution.

(2) * * *

* * * * * * *

(3) Special consideration shall be given to applications which propose, pursuant to the institution's plan, to engage in—

(A) faculty development;

* * * * * * *

(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) * * *

* * * * * * *

(5) * * *

(6) Tutoring, counseling, and student service programs designed to improve academic success*, including innovative, cus-*

tomized, remedial education and English language 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 secter.

[(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) contribute to carrying out the purposes of the program assisted under this part; and

(B) approved by the Secretary as part of the review and acceptance of such application.

* * * * * * *

SEC. 312. [20 U.S.C. 1058] DEFINITIONS; ELIGIBILITY.

(a) EDUCATIONAL AND GENERAL EXPENDITURES.—* * *

(b) ELIGIBLE INSTITUTION.—For the purpose of this part, the term "eligible institution" means—

(1) an institution of higher education—

(A) which has an enrollment of needy students as required by [subsection (c) of this section]*subsection (d)*;

* * * * * * *

(c) * * *

(d) ENROLLMENT OF NEEDY STUDENTS.—* * *

(1) * * *

(2) a substantial Grants in the second percentage students the fiscal year for which determination is being made, in comparison with the percentage of students receiving Pell Grants at all such institutions in the second fiscal year preceding the fiscal year for which the determination is made, unless the requirement of this [subdivision]*paragraph* is waived under section 392(a).

* * * * * * *

SEC. 316. [20 U.S.C. 1059c] AMERICAN INDIAN TRIBALLY CONTROLLED COLLEGES AND UNIVERSITIES.

(a) PROGRAM AUTHORIZED.—* * *

(b) DEFINITIONS.—In this section:

(1) INDIAN.—* * *

* * * * * * *

[(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 978 (25 U.S.C. 1801 et seq.) or the Navajo Community College Assistance Act of 1978 (25 U.S.C. 640a note); or

(B) is cited in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note).

(4) * * *

(c) AUTHORIZED ACTIVITIES.—

(1) IN GENERAL.—* * *

(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 *and the acquisition of real property adjacent to the campus of the institution*;

* * * * * * *

(F) * * *

(G) education or counseling services designed to improve the financial literacy and economic literacy of students or the students' parents;

[(G)]*(H)* funds management, administrative management, and acquisition of equipment for use in strengthening funds management;

[(H)]*(I)* joint use of facilities, such as laboratories and libraries;

[(I)]*(J)* establishing or improving a development office to strengthen or improve contributions from alumni and the private sector;

[(J)]*(K)* establishing or enhancing a program of teacher education designed to qualify students to teach in elementary schools or secondary schools, with a particular emphasis on teaching Indian children and youth, that shall include, as part of such program, preparation for teacher certification;

[(K)]*(L)* establishing community outreach programs that encourage Indian elementary school and secondary school students to develop the academic skills and the interest to pursue postsecondary education; [and]

(M) developing or improving facilities for Internet use or other distance education technologies, and

[(L)]*(N)* other activities proposed in the application submitted pursuant to subsection (d) that—

(i) contribute to carrying out the activities described in [subparagraphs (A) through (K)] *subparagraphs (A) through (M)*; and

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

* * * * * * *

[(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, PLAN, AND ALLOCATION.—

(1) INSTITUTIONAL ELIGIBILITY.—To be eligible to receive assistance under this section, a Tribal College or University shall be an eligible institution under section 312(b).

(2) APPLICATION.—

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

(B) STREAMLINED PROCESS.—The Secretary shall establish application requirements in such a manner as to simplify and streamline the process for applying for grants.

(3) ALLOCATIONS TO INSTITUTIONS.—

(A) CONSTRUCTION GRANTS.—

(i) IN GENERAL.—Of the amount appropriated to carry out this section for any fiscal year, the Secretary may reserve 30 percent for the purpose of awarding 1-

year grants of not less than $1,000,000 to address construction, maintenance, and renovation needs at eligible institutions.

(ii) PREFERENCE.—In providing grants under clause (i), the Secretary shall give preference to eligible institutions that have not yet received an award under this section.

(B) ALLOTMENT OF REMAINING FUNDS.—

(i) IN GENERAL.—Except as provided in clause (ii), the Secretary shall distribute the remaining funds appropriated for any fiscal year to each eligible institution as follows:

(I) 60 percent of the remaining appropriated funds shall be distributed among the eligible Tribal Colleges and Universities on a pro rata basis, based on the respective Indian student counts (as defined in section 2(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(a)) of the Tribal Colleges and Universities; and

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

(ii) MINIMUM GRANT.—The amount distributed to a Tribal College or University under clause (i) shall not be less than $500,000.

(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.

* * * * * * *

SEC. 317. [20 U.S.C. 1059d] ALASKA NATIVE AND NATIVE HAWAIIAN-SERVING INSTITUTIONS.

(a) PROGRAM AUTHORIZED.—* * *

* * * * * * *

(c) AUTHORIZED ACTIVITIES.—

(1) TYPES OF ACTIVITIES AUTHORIZED.—* * *

(2) EXAMPLES OF AUTHORIZED ACTIVITIES.—Such programs may include—

(A) * * *

* * * * * * *

(G) joint use of facilities such as laboratories and libraries; **[**and**]**

(H) academic tutoring and counseling programs and student support services**[**.**]***; and*

(I) education or counseling services designed to improve the financial literacy and economic literacy of students or the students' parents.

* * * * * * *

SEC. 318. 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.

* * * * * * *

PART B—STRENGTHENING HISTORICALLY BLACK COLLEGES AND UNIVERSITIES

SEC. 321. [20 U.S.C. 1060] FINDINGS AND PURPOSES.

The Congress finds that—

(1) * * *

SEC. 322. [20 U.S.C. 1061] 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 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. [20 U.S.C. 1062] GRANTS TO INSTITUTIONS.

(a) GENERAL AUTHORIZATION: USES OF FUNDS.—From amounts available under section [360(a)(2)]*399(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) * * *

* * * * * * *

(6) * * *

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

[7**]***(8)* Funds and 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 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.

[11**]***(12)* Establishing community outreach programs which will encourage elementary and secondary students to develop the academic skills and the interest to pursue postsecondary education.

[12**]***(13)* Other activities proposed in the application submitted pursuant to section 325 that—

* * * * * * *

SEC. 324. [20 U.S.C. 1063] ALLOTMENTS TO INSTITUTIONS.

(a) ALLOTMENT; PELL GRANT BASIS.—* * *

* * * * * * *

(g) * * *

(h) SPECIAL RULE ON ELIGIBILITY.—Notwithstanding any other provision of this section, a part B institution shall not receive an allotment under this section unless the part B institution provides, on an annual basis, data indicating that the part B institution—

(1) enrolled Federal Pell Grant recipients in the preceding academic year;

(2) in the preceding academic year, has graduated students from a program of academic study that is licensed or accredited by a nationally recognized accrediting agency or association recognized by the Secretary pursuant to part H of title IV where appropriate; and

(3) where appropriate, has graduated students who, within the past 5 years, enrolled in graduate or professional school.

* * * * * * *

SEC. 326. [20 U.S.C. 1063b] PROFESSIONAL OR GRADUATE INSTITUTIONS.

(a) GENERAL AUTHORIZATION.—* * *

* * * * * * *

(b) * * *

(c) USES OF FUNDS.—A grant under this section may be used—

(1) * * *

(2) construction, maintenance, renovation, and improvement in classroom, library, laboratory, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services, *and for the acquisition and development of real property that is adjacent to the campus for such construction, maintenance, renovation, or improvement*;

* * * * * * *

(4) * * *

(5) tutoring, counseling, and student service programs designed to improve academic success;

(6) education or counseling services designed to improve the financial literacy and economic literacy of students or the students' parents;

[5**]***(7)* **[**Establish or improve**]***establishing or improving* a development office to strengthen and increase contributions from alumni and the private sector;

[6**]***(8)* **[**assist**]***assisting* in the establishment or maintenance of an institutional endowment to facilitate financial independence pursuant to section 331; **[**and**]**

[7**]***(9)* funds and administrative management, and the acquisition of equipment, including software, for use in strengthening funds management and management information system**[**.**]***; and*

(10) other activities proposed in the application submitted under subsection (d) that—

(A) contribute to carrying out the purposes of this part; and

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

* * * * * * *

(e) ELIGIBILITY.—

(1) IN GENERAL.—Independent professional or graduate institutions and programs eligible for grants under subsection (a) are the following*:*

(A) Morehouse School of Medicine;

* * * * * * *

(Q) Norfolk State University qualified graduate programs; **[**and**]**

(R) Tennessee State University qualified graduate program**[**.**]***;*

(S) Alabama State University qualified graduate program;

(T) Coppin State University qualified graduate program;

(U) Prairie View A & M University qualified graduate program;

(V) Fayetteville State University qualified graduate program;

(W) Delaware State University qualified graduate program;

(X) Langston University qualified graduate program; and

(Y) West Virginia State University qualified graduate program.

(2) QUALIFIED GRADUATE PROGRAM.—(A) For the purposes of this section, the term "qualified graduate program" means a graduate or professional program that provides a program of instruction *in law or* in the physical or natural sciences, engineering, [mathematics, or]*mathematics, psychometrics, or* other scientific discipline in which African Americans are underrepresented and has students enrolled in such program at the time of application for a grant under this section.

(B) * * *

(3) SPECIAL RULE.—Institutions that were awarded grants under this section prior to October 1, [1998]*2007*, 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), (T), (U), (V), (W), (X), and (Y)* 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 (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, shall be available for the purpose of making grants to institutions or programs described in subparagraphs [(Q) and (R)]*(S), (T), (U), (V), (W), (X), and (Y)* of subsection (e)(1); and

(3) any amount in excess of $28,600,000, shall be made available to each of the institutions or programs identified in subparagraphs (A) through [(R)]*(Y)* pursuant to a formula developed by the Secretary that uses the following elements:

[(A) The ability of the institution to match Federal funds with non-Federal funds.

[(B) The number of students enrolled in the programs for which the eligible institution received funding under this section in the previous year.]

(A) The amount of non-Federal funds for the fiscal year for which the determination is made that the institution or program listed in subsection (e)—

(i) allocates from institutional resources;

(ii) secures from non-Federal sources, including amounts appropriated by the State and amounts from the private sector; and

(iii) will utilize to match Federal funds awarded for the fiscal year for which the determination is made under this section to the institution or program.

(B) The number of students enrolled in the qualified graduate programs of the eligible institution or program, for which the institution or program received and allocated funding under this section in the preceding year.

(C) The average cost of education per student, for all full-time graduate or professional students [(or the equivalent) enrolled in the eligible professional or graduate school, or for doctoral students enrolled in the qualified

graduate programs.]*enrolled in the qualified programs or institutions listed in paragraph (1).*

(D) The number of [students]*Black American students or minority students* in the previous year who received their first professional or doctoral degree from the programs for which the eligible [institution]*institution or program* received funding under this section in the previous year.

[(E) The contribution, on a percent basis, of the programs for which the institution is eligible to receive funds under this section to the total number of African Americans receiving graduate or professional degrees in the professions or disciplines related to the programs for the previous year.]

(E) The percentage that the total number of Black American students and minority students who receive their first professional, master's, or doctoral degrees from the institution or program in the academic year preceding the academic year for which the determination is made, represents of the total number of Black American students and minority students in the United States who receive their first professional, master's, or doctoral degrees in the professions or disciplines related to the course of study at such institution or program, respectively, in the preceding academic year.

(g) HOLD HARMLESS RULE.—Notwithstanding paragraphs (2) and (3) of subsection (f), no institution or qualified program identified in subsection (e)(1) that received a grant for fiscal year 1998 and that is eligible to receive a grant in a subsequent fiscal year shall receive a grant amount in any such subsequent fiscal year that is less than the grant amount received for fiscal year [1998]*2007*, unless the amount appropriated is not sufficient to provide such grant amounts to all such institutions and programs, or the institution cannot provide sufficient matching funds to meet the requirements of this section.

SEC. 342. [20 U.S.C. 1066a] DEFINITIONS.

For the purposes of this part:

(1) * * *

* * * * * * *

(5) * * *

(A) * * *

* * * * * * *

(C) instructional equipment technology research instrumentation, and any capital equipment[,,], or fixture related to facilities described in subparagraph (A);

* * * * * * *

SEC. 343. [20 U.S.C. 1066b] FEDERAL INSURANCE FOR BONDS.

(a) GENERAL RULE.—* * *

* * * * * * *

(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. 345. [20 U.S.C. 1066d] AUTHORITY OF THE SECRETARY.

In the performance of, and with respect to, the functions vested in the Secretary by this part, the Secretary—

(1) * * *

* * * * * * *

(6) may include in any contract such other covenants, conditions, or provisions necessary to ensure that the purposes of this part will be achieved; [and]

(7) may, directly or by grant or contract, provide technical assistance to eligible institutions to prepare the institutions to qualify, apply for, and maintain a capital improvement loan, including a loan under this part[.]*; and*

(8) not later than 90 days after the date of enactment of the Higher Education Amendments of 2007, shall submit to the authorizing committees a report on the progress of the Department in implementing the recommendations made by the Government Accountability Office in October 2006 for improving the Historically Black College and Universities Capital Financing Program.

* * * * * * *

SEC. 365. [20 U.S.C. 1067k] 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—

(1) * * *

* * * * * * *

PART F—GENERAL PROVISIONS

SEC. 391. [20 U.S.C. 1068] APPLICATIONS FOR ASSISTANCE.

(a) APPLICATIONS.—

(1) * * *

* * * * * * *

(b) CONTENTS.—An institution, in its application for a grant, shall—

(1) * * *

* * * * * * *

(7) * * *

(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

(8) include such other information as the Secretary may prescribe.

* * * * * * *

SEC. 392. [20 U.S.C. 1068a] WAIVER AUTHORITY AND REPORTING REQUIREMENT.

(a) WAIVER REQUIREMENTS; NEED-BASED ASSISTANCE STUDENTS.—* * *

* * * * * * *

(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) * * *

* * * * * * *

SEC. 396. [20 U.S.C. 1068e] LIMITATIONS.

The funds appropriated under section [360]*399* may not be used—

(1) * * *

* * * * * * *

SEC. 399. [20 U.S.C. 1068h] 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 (other than sections 316, 317, and 318) such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

(B) There are authorized to be appropriated to carry out section 316 such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

(C) There are authorized to be appropriated to carry out section 317 such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

(D) There are authorized to be appropriated to carry out section 318 such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

(2) PART B.—

(A) There are authorized to be appropriated to carry out part B (other than section 326) such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

(B) There are authorized to be appropriated to carry out section 326 such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

(3) PART C.—There are authorized to be appropriated to carry out part C such sums as may be necessary for fiscal year 2008 and each of the 5 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) such sums as may be necessary for fiscal year 2008 and each of the 5 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 2008 and each of the 5 succeeding fiscal years.

(5) PART E.—There are authorized to be appropriated to carry out part E such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

(b) USE OF MULTIPLE YEAR AWARDS.— * **

(c) MINIMUM GRANT AMOUNT.—The minimum amount of a grant under this title shall be $200,000.

* * * * * * *

TITLE IV—STUDENT ASSISTANCE

PART A—GRANTS TO STUDENTS IN ATTENDANCE AT INSTITUTIONS OF HIGHER EDUCATION

SEC. 400. [20 U.S.C. 1070] STATEMENT OF PURPOSE; PROGRAM AUTHORIZATION.

(a) PURPOSE.—* * *

* * * * * * *

Subpart 1—Federal Pell Grants

SEC. 401. [20 U.S.C. 1070a] FEDERAL PELL GRANTS: AMOUNT AND DETERMINATIONS; APPLICATIONS.

(a) PROGRAM AUTHORITY AND METHOD OF DISTRIBUTION.—

(1) For each fiscal year through fiscal year [2004]*2013*, the Secretary shall pay to each eligible institution such sums as may be necessary to pay to each eligible student (defined in accordance with section 484) for each academic year during which that student is in attendance at an institution of higher education, as an undergraduate, a Federal Pell Grant in the amount for which that student is eligible, as determined pursuant to subsection (b). Not less than 85 percent of such sums shall be advanced to eligible institutions prior to the start of each payment period and shall be based upon an amount requested by the institution as needed to pay eligible students until such time as the Secretary determines and publishes in the Federal Register with an opportunity for comment, an alternative payment system that provides payments to institutions in an accurate and timely manner[,,], except that this sentence shall not be construed to limit the authority of the Secretary to place an institution on a reimbursement system of payment.

(2) * * *

(3) Grants made under [this subpart]*this section* shall be known as "Federal Pell Grants".

(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—

(i) $5,400 for academic year 2008–2009;

(ii) $5,700 for academic year 2009–2010;

(iii) $6,000 for academic year 2010–2011; and

(iv) $6,300 for academic year 2011–2012, less an amount equal to the amount determined to be the expected family contribution with respect to that student for that year.

(B) * * *

[(3)(A) For any academic year for which an appropriation Act provides a maximum basic grant in an amount in excess of $2,700, the amount of a student's basic grant shall equal $2,700 plus—

[(i) one-half of the amount by which such maximum basic grant exceeds $2,700; plus

[(ii) the lesser of—

[(I) the remaining one-half of such excess; or

[(II) the sum of the student's tuition and, if the student has dependent care expenses (as described in section 472(8)) or disability-related expenses (as described in section 472(9)), an allowance determined by the institution for such expenses.

[(B) An institution that charged only fees in lieu of tuition as of October 1, 1998, may include in the institution's determination of tuition charged, fees that would normally constitute tuition.]

(c) PERIOD OF ELIGIBILITY FOR GRANTS.—

(1) * * *

* * * * * * *

(5) The period of time during which a student may receive Federal Pell Grants shall not exceed 18 semesters, or an equivalent period of time as determined by the Secretary pursuant to regulations, which period shall—

(A) be determined without regard to whether the student is enrolled on a full-time basis during any portion of the period of time; and

(B) include any period of time for which the student received a Federal Pell Grant prior to 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) ACADEMIC COMPETITIVENESS GRANT PROGRAM.—

[(1) ACADEMIC COMPETITIVENESS GRANTS AUTHORIZED.—The Secretary shall award grants, in the amounts specified in subsection (d)(1), to eligible students to assist the eligible students in paying their college education expenses.

[(2) ACADEMIC COMPETITIVENESS COUNCIL.—

[(A) ESTABLISHMENT.—There is established an Academic Competitiveness Council (referred to in this paragraph as the "Council"). From the funds made available under subsection (e) for fiscal year 2006, $50,000 shall be available to the Council to carry out the duties described in subparagraph (B). The Council shall be chaired by the Secretary of Education, and the membership of the Council shall consist of officials from Federal agencies with responsibilities for managing existing Federal programs that promote mathematics and science (or designees of such officials with significant decision-making authority).

[(B) DUTIES.—The Council shall—

[(i) identify all Federal programs with a mathematics or science focus;

[(ii) identify the target populations being served by such programs;

[(iii) determine the effectiveness of such programs;

[(iv) identify areas of overlap or duplication in such programs; and

[(v) recommend ways to efficiently integrate and coordinate such programs.

[(C) REPORT.—Not later than one year after the date of enactment of the Higher Education Reconciliation Act of 2005, the Council shall transmit a report to each committee of Congress with jurisdiction over a Federal program identified under subparagraph (B)(i), detailing the findings and recommendations under subparagraph (B), including recommendations for legislative or administrative action.]

(a) ACADEMIC COMPETITIVENESS GRANT PROGRAM AUTHORIZED.—The Secretary shall award grants, in the amounts specified in subsection (d)(1), to eligible students to assist the eligible students in paying their college education expenses.

(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]*third, fourth, or fifth* 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 year for which the determination of eligibility is made]*student who*—

[(1) is a citizen of the United States;]

(1) is eligible for a Federal Pell Grant for the award year in which the determination of eligibility is made for a grant under this section;

[(2) is eligible for a Federal Pell Grant; and]

(2) is enrolled or accepted for enrollment in an institution of higher education on not less than a half-time basis; and

(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; and

[(ii) has not been previously enrolled in a program of undergraduate education;]

(A) the first year of a program of undergraduate education at a 2- or 4-year degree-granting institution of higher education (including a program of not less than 1 year for which the institution awards a certificate), 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;

(B) the second [academic year of a program of undergraduate education at a two- or four-year degree-granting institution of higher education]*year of a program of undergraduate education at a 2- or 4-year degree-granting institution of higher education (including a program of not less than 2 years for which the institution awards a certificate)—*

(i) * * *

(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]*4*-year degree-granting institution of higher education—

(i) * * *

(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)[.]*;*

(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, but do 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 the appropriate official of the demonstrating institution; and

(ii) offered such curriculum prior to February 8, 2006; or

(E) the fifth year of a program of undergraduate education that requires 5 full years of coursework for which a baccalaureate degree is awarded by a degree-granting institution of higher education, as certified by the appropriate official of such institution—

(i) is pursuing a major in—

(I) the physical, life, or computer sciences, mathematics, technology, or engineering (as determined by the Secretary pursuant to regulations); or

(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)

(d) GRANT AWARD.—

(1) AMOUNTS.—

(A) [The]*IN GENERAL.—The* Secretary shall award a grant under this section in the amount of—

(i) * * *

(ii) $1,300 for an eligible student under subsection (c)(3)(B); [or]

(iii) $4,000 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*

(iv) $4,000 for an eligible student under subsection (c)(3)(E).

(B) [Notwithstanding]*LIMITATION; RATABLE REDUCTION.—Notwithstanding* subparagraph (A)—

(i) in any case in which a student attends an institution of higher education on less than a full-time basis, the amount of the grant that such student may receive shall be reduced in the same manner as a Federal Pell Grant is reduced under section 401(b)(2)(B);

[(i)]*(ii)* the amount of such grant, in combination with the Federal Pell Grant assistance and other student financial assistance available to such student, shall not exceed the student's cost of attendance;

[(ii)]*(iii)* if the amount made available under subsection (e) for any fiscal year is less than the amount required to be provided grants to all eligible students

in the amounts determined under subparagraph (A) and clause (i) of this subparagraph, then the amount of the grant to each eligible student shall be ratably reduced; and

[(iii)]*(iv)* if additional amounts are appropriated for any such fiscal year, such reduced amounts shall be increased on the same basis as they were reduced.

[(2) LIMITATIONS.—The Secretary shall not award a grant under this section—

[(A) to any student for an academic year of a program of undergraduate education described in subparagraph (A), (B), or (C) 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) one academic year under subsection (c)(3)(A);

[(ii) one academic year under subsection (c)(3)(B); or

[(iii) two academic years under subsection (c)(3)(C).]

(2) LIMITATIONS.—

(A) NO GRANTS FOR PREVIOUS CREDIT.—The Secretary may not award a grant under this section to any student for any year of a program of undergraduate education for which the student received credit before the date of enactment of the Higher Education Reconciliation Act of 2005.

(B) NUMBER OF GRANTS.—

(i) FIRST YEAR.—In the case of a student described in subsection (c)(3)(A), the Secretary may not award more than 1 grant to such student for such first year of study.

(ii) SECOND YEAR.—In the case of a student described in subsection (c)(3)(B), the Secretary may not award more than 1 grant to such student for such second year of study.

(iii) THIRD AND FOURTH YEARS.—In the case of a student described in subparagraph (C) or (D) of subsection (c)(3), the Secretary may not award more than 1 grant to such student for each of the third and fourth years of study.

(iv) FIFTH YEAR.—In the case of a student described in subsection (c)(3)(E), the Secretary may not award more than 1 grant to such student for such fifth year of study.

(3) CALCULATION OF GRANT PAYMENTS.—An institution of higher education shall make payments of a grant awarded under this section in the same manner, using the same payment periods, as such institution makes payments for Federal Pell Grants under section 401.

(e) FUNDING.—

(1) * * *

* * * * * * *

[(2) USE OF EXCESS FUNDS.—If, at the end of a fiscal year, the funds available for awarding grants under this section exceed the amount necessary to make such grants in the amounts authorized by subsection (d), then all of the excess

funds shall remain available for awarding grants under this section during the subsequent fiscal year.]

(2) AVAILABILITY OF FUNDS.—Funds made available under paragraph (1) for a fiscal year shall remain available for the succeeding fiscal year.

(f) RECOGNITION OF PROGRAMS OF STUDY.—The Secretary shall recognize [at least one]*not less than 1* rigorous secondary school program of study in each State under [subsection (c)(3)(A) and (B)]*subparagraphs (A) and (B) of subsection (c)(3)* for the purpose of determining student eligibility under such subsection.

(g) SUNSET PROVISION.—The authority to make grants under this section shall expire at the end of [academic]*award* year 2010–2011.

* * * * * * *

Subpart 2—Federal Early Outreach and Student Services Programs

CHAPTER 1—FEDERAL TRIO PROGRAMS

SEC. 402A. [20 U.S.C. 1070a–11] PROGRAM AUTHORITY; AUTHORIZATION OF APPROPRIATIONS.

(a) GRANTS AND CONTRACTS AUTHORIZED.—* * *

(b) RECIPIENTS, DURATION, AND SIZE.—

(1) * * *

(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 experi-

ence 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*.

* * * * * * *

(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—

* * * * * * *

(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 enrollment of such students in an institution of higher education; and

(v) to the extent practicable, the postsecondary education completion of such students.

(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; and

(v) 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 entity met or exceeded the entity's objectives regarding such students' completion of the degree programs in which such students were enrolled; 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 entity met or exceeded the entity's objectives regarding—

(aa) the completion of a degree or certificate by such students; and

(bb) the transfer of such students to institutions of higher education that offer baccalaureate degrees;

(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 paragraphs (2) or (3) is met or exceeded, an eligible entity receiving assistance under this chapter shall compare the eligible entity's target for the criterion, as established in the eligible entity's application, with the results for the criterion, measured as of the last day of the applicable time period for the determination.

[(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.**]***such sums as may be necessary for fiscal year 2008 and each of the 5 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 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.

(9) DIFFERENT POPULATION.—The term "different population" means a group of individuals, with respect to whom an eligible entity desires to serve through an application for a grant under this chapter, 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.—* * *

[(3)**]***(5)* VETERAN ELIGIBILITY.—* * *

(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**[**.**]***; or*

(C) was a member of a reserve component of the Armed Forces called to active duty for a period of more than 180 days.

[(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. 402B. [20 U.S.C. 1070a–12] TALENT SEARCH.

(a) PROGRAM AUTHORITY.—* * *

(1) **[**to identify qualified youths with potential for education at the postsecondary level and to encourage such youths**]***to encourage eligible youths* to complete to secondary school to undertake a program of secondary education;

(2) to publicize the availability of *and facilitate the application for*, student financial assistance available to persons who pursue a program of postsecondary education; and

(3) to encourage persons who have not completed programs of education at the secondary or postsecondary level **[**but who have the ability to complete such programs, to reenter**]***to enter or reenter, and complete* such programs.

[(b) PERMISSIBLE SERVICES.—Any talent search project assisted under this chapter may provide services such as—

[(1) academic advice and assistance in secondary school and college course selection;

[(2) assistance in completing college admission and financial aid applications;

[(3) assistance in preparing for college entrance examinations;

[(4) guidance on and assistance in secondary school reentry, entry to general educational development (GED) programs, other alternative education programs for secondary school dropouts, or postsecondary education;

[(5) personal and career counseling, or activities designed to acquaint individuals from disadvantaged backgrounds with careers in which the individuals are particularly underrepresented;

[(6) tutorial services;

[(7) exposure to college campuses as well as cultural events, academic programs and other sites or activities not usually available to disadvantaged youth;

[(8) workshops and counseling for families of students serviced;

[(9) mentoring programs involving elementary or secondary school teachers or counselors, faculty members at institutions of higher education, students, or any combination of such person; and

[(10) programs and activities as described in paragraphs (1) through (9) which are specially designed for students of limited English proficiency.]

(b) REQUIRED SERVICES.—Any project assisted under this section shall provide—

(1) academic tutoring, or connections to high quality academic tutoring services, to enable students to complete secondary or postsecondary courses, which may include instruction in reading, writing, study skills, mathematics, science, and other subjects;

(2) advice and assistance in secondary course selection and, if applicable, initial postsecondary course selection;

(3) assistance in preparing for college entrance examinations and completing college admission applications;

(4)(A) information on both the full range of Federal student financial aid programs (including Federal Pell Grant awards and loan forgiveness) and resources for locating public and private scholarships; and

(B) assistance in completing financial aid applications, including the Free Application for Federal Student Aid described in section 483(a);

(5) guidance on and assistance in—

(A) secondary school reentry;

(B) alternative education programs for secondary school dropouts that lead to the receipt of a regular secondary school diploma;

(C) entry into general educational development (GED) programs; or

(D) postsecondary education; and

(6) education or counseling services designed to improve the financial literacy and economic literacy of students or the students' parents, including financial planning for postsecondary education.

(c) PERMISSIBLE SERVICES.—Any project assisted under this section may provide services such as—

(1) personal and career counseling or activities;

(2) information and activities designed to acquaint youths with the range of career options available to youths;

(3) exposure to the campuses of institutions of higher education, as well as cultural events, academic programs, and other sites or activities not usually available to disadvantaged youth;

(4) workshops and counseling for families of students served;

(5) mentoring programs involving elementary or secondary school teachers or counselors, faculty members at institutions of higher education, students, or any combination of such persons; and

(6) programs and activities as described in subsection (b) or paragraphs (1) through (5) of this subsection that are specially designed for students who are limited English proficient, students with disabilities, students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)), or students who are in foster care or are aging out of the foster care system.

[(c)]*(d)* REQUIREMENTS FOR APPROVAL OF APPLICATIONS.—In approving applications for [talent search projects under this chapter]*projects under this section* for any fiscal year the Secretary shall —

* * * * * * *

SEC. 402C. [20 U.S.C. 1070a–13] UPWARD BOUND.

(a) PROGRAM AUTHORITY.—* * *

[(b) PERMISSIBLE SERVICES.—Any upward bound project assisted under this chapter may provide services such as—

[(1) instruction in reading, writing, study skills, mathematics, and other subjects necessary for success beyond secondary school;

[(2) counseling and workshops;

[(3) academic advice and assistance in secondary school course selection;

[(4) tutorial services;

[(5) exposure to cultural events, academic programs, and other activities not usually available to disadvantaged youth;

[(6) activities designed to acquaint youths participating in the project with the range of career options available to them;

[(7) instruction designed to prepare youths participating in the project for careers in which persons from disadvantaged backgrounds are particularly underrepresented;

[(8) on-campus residential programs;

[(9) mentoring programs involving elementary or secondary school teachers or counselors, faculty members at institutions of higher education, students, or any combination of such persons;

[(10) work-study positions where youth participating in the project are exposed to careers requiring a postsecondary degree;

[(11) special services to enable veterans to make the transition to postsecondary education; and

[(12) programs and activities as described in paragraphs (1) through (11) which are specially designed for students of limited English proficiency.]

(b) REQUIRED SERVICES.—Any project assisted under this section shall provide—

(1) academic tutoring to enable students to complete secondary or postsecondary courses, which may include instruction in reading, writing, study skills, mathematics, science, and other subjects;

(2) advice and assistance in secondary and postsecondary course selection;

(3) assistance in preparing for college entrance examinations and completing college admission applications;

(4)(A) information on both the full range of Federal student financial aid programs (including Federal Pell Grant awards and loan forgiveness) and resources for locating public and private scholarships; and

(B) assistance in completing financial aid applications, including the Free Application for Federal Student Aid described in section 483(a);

(5) guidance on and assistance in—

(A) secondary school reentry;

(B) alternative education programs for secondary school dropouts that lead to the receipt of a regular secondary school diploma;

(C) entry into general educational development (GED) programs; or

(D) postsecondary education; and

(6) education or counseling services designed to improve the financial literacy and economic literacy of students or the students' parents, including financial planning for postsecondary education.

(c) [REQUIRED SERVICES] *ADDITIONAL REQUIRED SERVICES FOR MULTIPLE-YEAR GRANT RECIPIENTS.*—Any [upward bound project assisted under this chapter] *project assisted under this section* which has received funding for two or more years shall include, as part of the core curriculum in the next and succeeding years, instruction in mathematics through precalculus, laboratory science, foreign language, composition, and literature.

(d) PERMISSIBLE SERVICES.—Any project assisted under this section may provide such services as—

(1) exposure to cultural events, academic programs, and other activities not usually available to disadvantaged youth;

(2) information, activities and instruction designed to acquaint youths participating in the project with the range of career options available to the youths;

(3) on-campus residential programs;

(4) mentoring programs involving elementary school or secondary school teachers or counselors, faculty members at insti-

tutions of higher education, students, or any combination of such persons;

(5) work-study positions where youth participating in the project are exposed to careers requiring a postsecondary degree;

(6) special services to enable veterans to make the transition to postsecondary education; and

(7) programs and activities as described in subsection (b), subsection (c), or paragraphs (1) through (6) of this subsection that are specially designed for students who are limited English proficient, students with disabilities, students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)), or students who are in foster care or are aging out of the foster care system.

(e) PRIORITY.—In providing assistance under this section the Secretary—

(1) shall give priority to projects assisted under this section that select not less than 30 percent of all first-time participants in the projects from students who have a high academic risk for failure; and

(2) shall not deny participation in a project assisted under this section to a student because the student will enter the project after the 9th grade.

[(d)]*(f)* REQUIREMENTS FOR APPROVAL OF APPLICATIONS.—In approving applications for [upward bound projects under this chapter]*projects under this section* for any fiscal year, the Secretary shall—

(1) * * *

* * * * * * *

[(e)]*(g)* MAXIMUM STIPENDS.—Youths participating in a project proposed to be carried out under any application may be paid stipends not in excess of $60 per month [during June, July, and August]*during the summer school recess, for a period not to exceed 3 months*, except that youth participating in a work-study position under section [(b)(10)]*(d)(5)* may be paid a stipend of $300 per month [during June, July, and August], *during the summer school recess, for a period not to exceed 3 months*. Youths participating in a project proposed to be carried out under any application may be paid stipends not in excess of $40 per month during the remaining period of the year.

* * * * * * *

SEC. 402D. [20 U.S.C. 1070a–14] STUDENT SUPPORT SERVICES.

(a) PROGRAM AUTHORITY.—* * *

(1) * * *

(2) to increase the transfer rates of eligible students from 2-year to 4-year institutions; [and]

[(3) to foster an institutional climate supportive of the success of low-income and first generation college students and individuals with disabilities.]

(3) to foster an institutional climate supportive of the success of low-income and first generation college students, students with disabilities, students who are limited English proficient, students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless As-

sistance Act (42 U.S.C. 11434a)), and students who are in foster care or are aging out of the foster care system.

(4) to improve the financial literacy and economic literacy of students, including—

(A) basic personal income, household money management, and financial planning skills; and

(B) basic economic decisionmaking skills.

[(b) PERMISSIBLE SERVICES.—A student support services project assisted under this chapter may provide services such as—

[(1) instruction in reading, writing, study skills, mathematics, and other subjects necessary for success beyond secondary school;

[(2) personal counseling;

[(3) academic advice and assistance in course selection;

[(4) tutorial services and counseling and peer counseling;

[(5) exposure to cultural events and academic programs not usually available to disadvantaged students;

[(6) activities designed to acquaint students participating in the project with the range of career options available to them;

[(7) activities designed to assist students participating in the project in securing admission and financial assistance for enrollment in graduate and professional programs;

[(8) activities designed to assist students currently enrolled in 2-year institutions in securing admission and financial assistance for enrollment in a four-year program of postsecondary education;

[(9) mentoring programs involving faculty or upper class students, or a combination thereof; and

[(10) programs and activities as described in paragraphs (1) through (9) which are specially designed for students of limited English proficiency.]

(b) REQUIRED SERVICES.—A project assisted under this section shall provide—

(1) academic tutoring to enable students to complete postsecondary courses, which may include instruction in reading, writing, study skills, mathematics, science, and other subjects;

(2) advice and assistance in postsecondary course selection;

(3)(A) information on both the full range of Federal student financial aid programs (including Federal Pell Grant awards and loan forgiveness) and resources for locating public and private scholarships; and

(B) assistance in completing financial aid applications, including the Free Application for Federal Student Aid described in section 483(a);

(4) education or counseling services designed to improve the financial literacy and economic literacy of students, including financial planning for postsecondary education;

(5) activities designed to assist students participating in the project in securing college admission and financial assistance for enrollment in graduate and professional programs; and

(6) activities designed to assist students enrolled in 2-year institutions of higher education in securing admission and financial assistance for enrollment in a 4-year program of postsecondary education.

(c) PERMISSIBLE SERVICES.—A project assisted under this section may provide services such as—

(1) consistent, individualized personal, career, and academic counseling, provided by assigned counselors;

(2) information, activities, and instruction designed to acquaint youths participating in the project with the range of career options available to the students;

(3) exposure to cultural events and academic programs not usually available to disadvantaged students;

(4) activities designed to acquaint students participating in the project with the range of career options available to the students;

(5) mentoring programs involving faculty or upper class students, or a combination thereof;

(6) securing temporary housing during breaks in the academic year for students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)) or were formerly homeless children and youths and students who are in foster care or are aging out of the foster care system; and

(7) programs and activities as described in subsection (b) or paragraphs (1) through (5) of this subsection that are specially designed for students who are limited English proficient, students with disabilities, students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)) or were formerly homeless children and youths, or students who are in foster care or are aging out of the foster care system.

[(c)]*(d)* SPECIAL RULE.—

(1) USE FOR STUDENT AID.—A recipient of a grant that undertakes any of the permissible services identified in [subsection (b)]*subsection (c)* may, in addition, use such funds to provide grant aid to students. A grant provided under this paragraph shall not exceed the maximum appropriated Pell Grant or, be less than the maximum appropriated Pell Grant, for the current academic year. In making grants to students under this subsection, an institution shall ensure that adequate consultation takes place between the student support service program office and the institution's financial aid office.

(2) * * *

* * * * * * *

[(d)]*(e)* REQUIREMENTS FOR APPROVAL OF APPLICATIONS.—In approving applications for [student support services projects under this chapter]*projects under this section* for any fiscal year, the Secretary shall—

(1) * * *

* * * * * * *

SEC. 402E. [20 U.S.C. 1070a–15] POSTBACCALAUREATE ACHIEVEMENT PROGRAM AUTHORITY.

(a) PROGRAM AUTHORITY.—* * *

(b) *REQUIRED SERVICES.*—[A postbaccalaureate achievement project assisted under this section may provide services such as—]*A project assisted under this section shall provide—*

* * * * * * *

(5) academic counseling; and

(6) activities designed to assist students participating in the project in securing admission to and financial assistance for enrollment in graduate program[;].

[(7) mentoring programs involving faculty members at institutions of higher education, students, or any combination of such persons; and

[(8) exposure to cultural events and academic programs not usually available to disadvantaged students.]

(c) PERMISSIBLE SERVICES.—A project assisted under this section may provide services such as—

(1) education or counseling services designed to improve the financial literacy and economic literacy of students, including financial planning for postsecondary education;

(2) mentoring programs involving faculty members at institutions of higher education, students, or any combination of such persons; and

(3) exposure to cultural events and academic programs not usually available to disadvantaged students.

[(c)]*(d)* REQUIREMENTS.—In approving applications for [postbaccalaureate achievement] projects assisted under this section for any fiscal year, the Secretary shall require—

* * * * * * *

[(d)]*(e)* AWARD CONSIDERATIONS.—* * *

* * * * * * *

[(e)]*(f)* MAXIMUM STIPENDS.—Students participating in research under a [postbaccalaureate achievement project]*project under this section* may receive an award that—

(1) * * *

* * * * * * *

[(f)]*(g)* FUNDING.—From amounts appropriated pursuant to the authority of section [402A(f)]*402(A)(g)*, the Secretary shall, to the extent practicable, allocate funds for projects authorized by this section in an amount which is not less than $11,000,000 for each of the fiscal years [1993 through 1997]*2007 through 2012*.

* * * * * * *

SEC. 402F. [20 U.S.C. 1070a–16] EDUCATIONAL OPPORTUNITY CENTERS.

(a) PROGRAM AUTHORITY; SERVICES PROVIDED.—* * *

(1) to provide information with respect to financial and academic assistance available for individuals desiring to pursue a program of postsecondary education; [and]

(2) to provide assistance to such persons in applying for admission to institutions at which a program of postsecondary education is offered, including preparing necessary applications for use by admissions and financial aid officers[.]*; and*

(3) to improve the financial literacy and economic literacy of students, including—

(A) basic personal income, household money management, and financial planning skills; and

(B) basic economic decisionmaking skills.

(b) PERMISSIBLE SERVICES.—

(1) * * *

* * * * * * *

(5) education or counseling services designed to improve the financial literacy and economic literacy of students;

[(5)**]***(6)* guidance on secondary school reentry or entry to a general educational development (GED) program or other alternative education programs for secondary school dropouts;

[(6) personal counseling;**]** *(7) individualized personal, career, and academic counseling;*

[(7)**]***(8)* tutorial services;

[(8)**]***(9)* career workshops and counseling;

[(9)**]***(10)* mentoring programs involving elementary or secondary school teachers, faculty members at institutions of higher education, students, or any combination of such persons; and

[(10) programs and activities as described in paragraphs (1) through (9) which are specially designed for students of limited English proficiency.)**]**

(11) programs and activities as described in paragraphs (1) through (10) that are specially designed for students who are limited English proficient, students with disabilities, or students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)), or programs and activities for students who are in foster care or are aging out of the foster care system.

* * * * * * *

SEC. 402G. [20 U.S.C. 1070a–171] STAFF DEVELOPMENT ACTIVITIES.

(a) SECRETARY'S AUTHORITY.—* * *

(b) * * *

(1) * * *

* * * * * * *

(3) The design and operation of model programs for projects funded under this chapter*, including strategies for recruiting and serving students who are homeless children and youths (as such, term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)) and students who are in foster care or are aging out of the foster care system.*

* * * * * * *

SEC. 402H. [20 U.S.C. 1070a–181] [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) IN GENERAL.—* * *

[(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). The 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.

[(b)]*(c)* GRANTS.—* * *

* * * * * * *

[(c)]*(d)* RESULTS.—

* * * * * * *

CHAPTER 2—GAINING EARLY AWARENESS AND READINESS FOR UNDERGRADUATE PROGRAMS

SEC. 404A. [20 U.S.C. 1070a–21] 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 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 who are at risk of dropping out of school; and

[(B) information to students and their parents about the advantages of obtaining a postsecondary education and the college financing options for the students and their parents.]

(a) PROGRAM AUTHORIZED.—The Secretary is authorized, in accordance with the requirements of this chapter, to establish a program that encourages eligible entities to provide support to eligible low-income students to assist the students in obtaining a secondary school diploma (or its recognized equivalent) and to prepare for and succeed in postsecondary education, by providing—

(1) financial assistance, academic support, additional counseling, mentoring, outreach, and supportive services to middle school and secondary school students to reduce—

(A) the risk of such students dropping out of school; or

(B) the need for remedial education for such students at the postsecondary level; and

(2) information to students and their parents about the advantages of obtaining a postsecondary education and the college financing options for the students and their parents.

(b) AWARDS.—

(1) IN GENERAL.—From funds appropriated under section [404H] *404G* for each fiscal year, the Secretary shall make awards to eligible entities described in paragraphs (1) and (2) of subsection (c) to enable the entities to carry out the program authorized under subsection (a).

(2) PRIORITY.—* * *

[(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;]

(A) give priority to eligible entities that have a prior, demonstrated commitment to early intervention leading to college access through collaboration and replication of successful strategies;

* * * * * * *

(c) DEFINITION OF ELIGIBLE ENTITY.—* * *

(1) * * *

[(2) a partnership consisting of—

[(A) one or more local educational agencies acting on behalf of

[(i) one or more elementary schools or secondary schools; and

[(ii) the secondary schools that students from the schools described in clause (i) would normally attend;

[(B) one or more degree granting institutions of higher education; and

[(C) at least two community organizations or entities, such as businesses, professional associations, community-based organizations, philanthropic organizations, State agencies, institutions or agencies sponsoring programs authorized under subpart 4, or other public or private agencies or organizations.]

(2) a partnership—

(A) consisting of—

(i) 1 or more local educational agencies; and

(ii) 1 or more degree granting institutions of higher education; and

(B) which may include not less than 2 other community organizations or entities, such as businesses, professional organizations, State agencies, institutions or agencies sponsoring programs authorized under subpart 4, or other public or private agencies or organizations.

* * * * * * *

SEC. 404B. [20 U.S.C. 1070a–22] REQUIREMENTS.

[(a) FUNDING RULES.—

[(1) CONTINUATION AWARDS.—From the amount appropriated under section 404H for a fiscal year, the Secretary shall continue to award grants to States under this chapter (as this chapter was in effect on the day before the date of enactment of the Higher Education Amendments of 1998) in accordance with the terms and conditions of such grants.

[(2) DISTRIBUTION.—From the amount appropriated under section 404H that remains after making continuation awards under paragraph (1) for a fiscal year, the Secretary shall

[(A) make available—

[(i) not less than 33 percent of the amount to eligible entities described in section 404A(c)(1); and

[(ii) not less than 33 percent of the amount to eligible entities described in section 404A(c)(2); and

[(B) award the remainder of the amount to eligible entities described in paragraph (1) or (2) of section 404A(c).

[(3) SPECIAL RULE.—The Secretary shall annually reevaluate the distribution of funds described in paragraph (2)(B) based on number, quality, and promise of the applications and adjust the distribution accordingly.]

(a) FUNDING RULES.—

(1) DISTRIBUTION.—In awarding grants from the amount appropriated under section 404G for a fiscal year, the Secretary shall take into consideration

(A) the geographic distribution of such awards; and

(B) the distribution of such awards between urban and rural applicants.

(2) SPECIAL RULE.—The Secretary shall annually reevaluate the distribution of funds described in paragraph (1) based on number, quality, and promise of the applications.

[(b) LIMITATION.—Each eligible entity described in section 404A(c)(1), and each eligible entity described in section 404A(c)(2) that conducts a scholarship component under section 404E, shall use not less than 25 percent and not more than 50 percent of grant funds received under this chapter for the early intervention component of an eligible entity's program under this chapter, except that the Secretary may waive the 50 percent limitation if the eligible entity demonstrates that the eligible entity has another means of providing the students with financial assistance that is described in the plan submitted under section 404C.]

[(c)]*(b)* COORDINATION.—* * *

* * * * * * *

[(d)]*(c)* DESIGNATION OF FISCAL AGENT.—An eligible entity described in section 404A(c)(2) shall designate an institution of higher education or a local educational agency as the fiscal agent for the eligible entity.

[(e) COORDINATORS.—An eligible entity described in section 404A(c)(2) shall have a full-time program coordinator or a parttime program coordinator, whose primary responsibility is a project under section 404C.

[(f) DISPLACEMENT.—An eligible entity described in 404A(c)(2) shall ensure that the activities assisted under this chapter will not displace an employee or eliminate a position at a school assisted under this chapter, including a partial displacement such as a reduction in hours, wages or employment benefits.]

[(g)]*(d)* COHORT APPROACH.—

[(1) IN GENERAL.—* * *

* * * * * * *

(e) SUPPLEMENT, NOT SUPPLANT.—Grant funds awarded under this chapter shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities assisted under this chapter.

* * * * * * *

SEC. 404C. [20 U.S.C. 1070a–23] [ELIGIBLE ENTITY PLANS]*APPLICATIONS*

(a) [PLAN]*APPLICATION Required for Eligibility.—*

(1) IN GENERAL—In order or an eligible entity to qualify for a grant under this chapter, the eligible entity shall submit to the Secretary [a plan] *an application* for carrying out the pro-

gram under this chapter. [Such plan shall provide for the conduct of a scholarship component if required or undertaken pursuant to section 404E and an early intervention component required pursuant to section 404D.]

[(2) CONTENTS.—Each plan submitted pursuant to paragraph (1) shall be in such form, contain or be accompanied by such information or assurances, and be submitted at such time as the Secretary may require by regulation. Each such plan shall—

[(A) describe the activities for which assistance under this chapter is sought; and

[(B) provide such additional assurances as the Secretary determines necessary to ensure compliance with the requirements of this chapter.]

(2) CONTENTS.—Each application submitted pursuant to paragraph (1) shall be in such form, contain or be accompanied by such information or assurances, and be submitted at such time as the Secretary may require. Each such application shall, at a minimum—

(A) describe the activities for which assistance under this chapter is sought, including how the eligible entity will carry out the required activities described in section 404D(a);

(B) describe how the eligible agency will meet the requirements of section 404E;

(C) provide assurances that adequate administrative and support staff will be responsible for coordinating the activities described in section 404D;

(D) ensure that activities assisted under this chapter will not displace an employee or eliminate a position at a school assisted under this chapter, including a partial displacement such as a reduction in hours, wages or employment benefits;

(E) describe, in the case of an eligible entity described in section 401A(c)(2), how the eligible entity will define the cohorts of the students served by the eligible entity pursuant to section 404B(d), and how the eligible entity will serve the cohorts through grade 12, including—

(i) how vacancies in the program under this chapter will be filled; and

(ii) how the eligible entity will serve students attending different secondary schools;

(F) describe how the eligible entity will co-ordinate programs with other existing Federal, State, or local programs to avoid duplication and maximize the number of students served;

(G) provide such additional assurances as the Secretary determines necessary to ensure compliance with the requirements of this chapter; and

(H) provide information about the activities that will be carried out by the eligible entity to support systemic changes from which future cohorts of students will benefit.

(b) MATCHING REQUIREMENT.—

(1) IN GENERAL.—The Secretary shall not approve [a plan]*an application* submitted under subsection (a) unless [such plan]*such application*—

* * * * * * *

(c) METHODS FOR COMPLYING WITH MATCHING REQUIREMENT.—

(1) the amount of the financial assistance paid to students from State, local, institutional, or private funds under this chapter[;]*including*—

(A) the amount contributed to a student scholarship fund established under section 404E; and

(B) the amount of the costs of administering the scholarship program under section 404E;

* * * * * * *

SEC. 404D. [20 U.S.C. 1070a–24] 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) financial aid counseling and information regarding the opportunities for financial assistance under this title; and

[(B) activities or information regarding—

[(i) fostering and improving parent involvement in promoting the advantages of a college education, academic admission requirements, and the need to take college preparation courses;

[(ii) college admissions and achievement tests; and

[(iii) college application procedures.

[(2) METHODS.—The eligible entity shall demonstrate in such plan, pursuant to regulations of the Secretary, the methods by which the eligible entity will target services on priority students described in subsection (c), if applicable.

[(b) USES OF FUNDS.—

[(1) IN GENERAL.—The Secretary shall, by regulation, establish criteria for determining whether comprehensive mentoring, counseling, outreach, and supportive services programs may be used to meet the requirements of subsection (a).

[(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 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.

[(B) Requiring each student to enter into an agreement under which the student agrees to achieve certain aca-

demic milestones, such as completing a prescribed set of courses and maintaining satisfactory progress described in section 484(c), in exchange for receiving tuition assistance for a period of time to be established by each eligible entity.

[(C) Activities designed to ensure secondary school completion and college enrollment of at-risk children, such as identification of at-risk children, after school and summer tutoring, assistance in obtaining summer jobs, academic counseling, volunteer and parent involvement, providing former or current scholarship recipients as mentor or peer counselors, skills assessment, providing access to rigorous core courses that reflect challenging academic standards, personal counseling, family counseling and home visits, staff development, and programs and activities described in this subparagraph that are specially designed for students of limited English proficiency.

[(D) Summer programs for individuals who are in their sophomore or junior years of secondary school or are planning to attend an institution of higher education in the succeeding academic year that—

[(i) are carried out at an institution of higher education that has programs of academic year supportive services for disadvantaged students through projects authorized under section 402D or through comparable projects funded by the State or other sources;

[(ii) provide for the participation of the individuals who are eligible for assistance under section 402D or who are eligible for comparable programs funded by the State;

[(iii)(I) provide summer instruction in remedial, developmental or supportive courses;

[(II) provide such summer services as counseling, tutoring, or orientation; and

[(III) provide financial assistance to the individuals to cover the individuals' summer costs for books, supplies, living costs, and personal expenses; and

[(iv) provide the individuals with financial assistance during each academic year the individuals are enrolled at the participating institution after the summer program.

[(E) Requiring eligible students to meet other standards or requirements as the State determines necessary to meet the purposes of this section.

[(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—

[(1) to be counted under section 1124(c) of the Elementary and Secondary Education Act of 1965;

[(2) for free or reduced price meals under the Richard B. Russell National School Lunch Act; or

[(3) for assistance pursuant to part A of title IV of the Social Security Act.

[(d) ALLOWABLE PROVIDERS.—In the case of eligible entities described in section 404A(c)(1), the activities required by this section

may be provided by service providers such as community-based organizations, schools, institutions of higher education, public and private agencies, nonprofit and philanthropic organizations, businesses, institutions and agencies sponsoring programs authorized under subpart 4, and other organizations the State deems appropriate.]

SEC. 404D. ACTIVITIES.

(a) REQUIRED ACTIVITIES.—Each eligible entity receiving a grant under this chapter shall carry out the following:

(1) Provide information regarding financial aid for postsecondary education to participating students in the cohort described in subsection 404B(d)(1)(A).

(2) Encourage student enrollment in rigorous and challenging curricula and coursework, in order to reduce the need for remedial coursework at the postsecondary level.

(3) Support activities designed to improve the number of participating students who—

(A) obtain a secondary school diploma; and

(B) complete applications for and enroll in a program of postsecondary education.

(4) In the case of an eligible entity described in section 404A(c)(1), provide for the scholarships described in section 404E.

(b) OPTIONAL ACTIVITIES FOR STATES AND PARTNERSHIPS.—An eligible entity that receives a grant under this chapter may use grant funds to carry out 1 or more of the following activities:

(1) Providing tutoring and supporting mentors, including adults or former participants of a program under this chapter, for eligible students.

(2) Conducting outreach activities to recruit priority students described in subsection (d) to participate in program activities.

(3) Providing supportive services to eligible students.

(4) Supporting the development or implementation of rigorous academic curricula, which may include college preparatory, Advanced Placement, or International Baccalaureate programs, and providing participating students access to rigorous core courses that reflect challenging State academic standards.

(5) Supporting dual or concurrent enrollment programs between the secondary school and institution of higher education partners of an eligible entity described in section 404A(c)(2), and other activities that support participating students in—

(A) meeting challenging academic standards;

(B) successfully applying for postsecondary education;

(C) successfully applying for student financial aid; and

(D) developing graduation and career plans.

(6) Providing support for scholarships described in section 404E.

(7) Introducing eligible students to institutions of higher education, through trips and school-based sessions.

(8) Providing an intensive extended school day, school year, or summer program that offers—

(A) additional academic classes; or

(B) assistance with college admission applications.

(9) Providing other activities designed to ensure secondary school completion and postsecondary education enrollment of at-risk children, such as—

(A) the identification of at-risk children;

(B) after-school and summer tutoring;

(C) assistance to at-risk children in obtaining summer jobs;

(D) academic counseling;

(E) volunteer and parent involvement;

(F) encouraging former or current participants of a program under this chapter to serve as peer counselors;

(G) skills assessments;

(H) personal counseling;

(I) family counseling and home visits;

(J) staff development; and

(K) programs and activities described in this subsection that are specially designed for 3 students who are limited English proficient.

(10) Enabling eligible students to enroll in Advanced Placement or International Baccalaureate courses, or college entrance examination preparation courses.

(11) Providing services to eligible students in the participating cohort described in section 404B(d)(1)(A), through the first year of attendance at an institution of higher education.

(c) ADDITIONAL OPTIONAL ACTIVITIES FOR STATES.—In addition to the required activities described in subsection (a) and the optional activities described in subsection (b), an eligible entity described in section 404A(c)(1) receiving funds under this chapter may use grant funds to carry out 1 or more of the following activities:

(1) Providing 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.

(2) Providing professional development opportunities to individuals working with eligible cohorts of students described in section 404B(d)(1)(A).

(3) Providing strategies and activities that align efforts in the State to prepare eligible students for attending and succeeding in postsecondary education, which may include the development of graduation and career plans.

(4) Disseminating information on the use of scientifically based research and best practices to improve services for eligible students.

(5)(A) Disseminating information on effective coursework and support services that assist students in obtaining the goals described in subparagraph (B)(ii).

(B) Identifying and disseminating information on best practices with respect to—

(i) increasing parental involvement; and

(ii) preparing students, including students with disabilities and students who are limited English proficient, to succeed academically in, and prepare financially for, postsecondary education.

(6) Working to align State academic standards and curricula with the expectations of postsecondary institutions and employers.

(7) Developing alternatives to traditional secondary school that give students a head start on attaining a recognized postsecondary credential (including an industry certificate, an apprenticeship, or an associate's or a bachelor's degree), including school designs that give students early exposure to college-level courses and experiences and allow students to earn transferable college credits or an associate's degree at the same time as a secondary school diploma.

(8) Creating community college programs for drop-outs that are personalized drop-out recovery programs that allow drop-outs to complete a regular secondary school diploma and begin college-level work.

(d) PRIORITY STUDENTS.—For eligible entities not using a cohort approach, the eligible entity shall treat as priority students any student in middle or secondary school who is eligible—

(1) to be counted under section 1124(c) of the Elementary and Secondary Education Act of 1965;

(2) for free or reduced price meals under the Richard B. Russell National School Lunch Act;

(3) for assistance under a State program funded under part A or E of title IV of the Social Security Act (42 U.S.C. 601 et seq., 670 et seq.); or

(4) for assistance under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 et seq.).

(e) ALLOWABLE PROVIDERS.—In the case of eligible entities described in section 404A(c)(1), the activities required by this section may be provided by service providers such as community-based organizations, schools, institutions of higher education, public and private agencies, nonprofit and philanthropic organizations, businesses, institutions and agencies sponsoring programs authorized under subpart 4, and other organizations the State determines appropriate.'

* * * * * * *

SEC. 404E. [20 U.S.C. 1070a–25] SCHOLARSHIP COMPONENT.

(a) IN GENERAL.—

(1) * * *

* * * * * * *

(b) LIMITATION.—

(1) IN GENERAL.—Subject to paragraph (2), each eligible entity described in section 404A(c)(I) that receives a grant under this chapter shall use not less than 25 percent and not more than 50 percent of the grant funds for activities described in section 404D (except for the activity described in subsection (a)(4) of such section), with, the remainder of such funds to be used for a scholarship program under this section, in accordance with such subsection.

(2) EXCEPTION.—Notwithstanding paragraph (1), the Secretary may allow an eligible entity to use more than 50 percent of grant funds received under this chapter for such activities, if the eligible entity demonstrates that the eligible entity has another means of providing the students with the financial assist-

ance described in this section and describes such means in the application submitted under section 404C.

(c) NOTIFICATION OF ELIGIBILITY.—Each eligible entity providing scholarships under this section shall provide information on the eligibility requirements for the scholarships to all participating students upon the students' entry into the programs assisted under this chapter.

[(b)**]***(d)* GRANT AMOUNTS.—The maximum amount of a scholarship that 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) 75 percent of the average cost of attendance for an in State student, in a 4-year program of instruction, at public institutions of higher education in such State, as determined in accordance with regulations prescribed by the Secretary; or

[(2) the maximum Federal Pell Grant funded under section 401 for such fiscal year the minimum Federal Pell Grant award under section 401 for such award year.**]** *the minimum Federal Pell Grant award under section 401 for such award year.*

(e) PORTABILITY OF ASSISTANCE.—

(1) IN GENERAL.—Each eligible entity described in section 404A(c)(1) that receives a grant under this chapter shall create or organize a trust for each cohort described in section 404B(d)(1)(A) for which the grant is sought in the application submitted by the entity, which trust shall be an amount that is not less than the minimum scholarship amount described in subsection (d), multiplied by the number of students participating in the cohort.

(2) REQUIREMENT FOR PORTABILITY.—Funds contributed to the trust for a cohort shall be available to a student in the cohort when the student has—

(A) completed a secondary school diploma, its recognized equivalent, or other recognized alternative standard for individuals with disabilities; and

(B) enrolled in an institution of higher education.

(3) QUALIFIED EDUCATIONAL EXPENSES.—Funds available to an eligible student from a trust may be used for—

(A) tuition, fees, books, supplies, and equipment required for the enrollment or attendance of the eligible student at an institution of higher education; and

(B) in the case of an eligible student with special needs, expenses for special needs services which are incurred in connection with such, enrollment or attendance.

(4) RETURN OF FUNDS.—

(A) REDISTRIBUTION.—

(i) IN GENERAL.—Trust funds that are not used by an eligible student within 6 years of the student's scheduled completion of secondary school may be redistributed by the eligible entity to other eligible students.

(ii) RETURN OF EXCESS TO THE SECRETARY.—If requirements of paragraph (1) and, if applicable, redistributing excess funds in accordance with clause (i), an eligible entity has funds remaining, the eligible entity

shall return excess funds to the Secretary for distribution to other grantees under this chapter.

(B) NONPARTICIPATING ENTITY.—Notwithstanding subparagraph (A), in the case of an eligible entity described in section 404A(c)(1)(A) that does not receive assistance under this subpart for 6 fiscal years, the eligible entity shall return any trust funds not awarded or obligated to eligible students to the Secretary for distribution to other grantees under this chapter.

[(c)]*(f)* RELATION TO OTHER ASSISTANCE.—* * *

[(d)]*(g)* ELIGIBLE STUDENTS.—

(1) * * *

(2) receives a secondary school diploma or its recognized equivalent on or after January 1, [1993] *2001;*

(3) * * *

(4) who participated in the [early intervention component required under]*activities required under* [section 404D].

[(e) PRIORITY.—The Secretary shall ensure that each eligible entity places a priority on awarding scholarships to students who will receive a Federal Pell Grant for the academic year for which the scholarship is awarded under this section.

[(f) SPECIAL RULE.—An eligible entity may consider students who have successfully participated in programs funded under chapter 1 to have met the requirements of subsection (d)(4).]

[SEC. 404F. [20 U.S.C. 1070a–26] 21ST CENTURY SCHOLAR CERTIFICATES.

[(a) AUTHORITY.—The Secretary, using funds appropriated under section 404H that do not exceed $200,000 for a fiscal year—

[(1) shall ensure that certificates, to be known as 21st Century Scholar Certificates, are provided to all students participating in programs under this chapter; and

[(2) may, as practicable, ensure that such certificates are provided to all students in grades 6 through 12 who attend schools at which at least 50 percent of the students enrolled are eligible for a free or reduced price lunch under the Richard Russell National School Lunch Act.

[(b) INFORMATION REQUIRED.—A 21st Century Scholar Certificate shall be personalized for each student and indicate the amount of FederalFInancial aid for college which a student may be eligible to receive.]

SEC. [404G]. *404F* [20 U.S.C. 1070a–27] EVALUATION AND REPORT.

(a) EVALUATION.—* * *

* * * * * * *

(c) FEDERAL EVALUATION.—In order to evaluate and improve the impact of the activities assisted under this chapter, the Secretary shall, from not more than 0.75 percent of the funds appropriated under section [404H]*404G* for a fiscal year, award one or more grants, contracts, or cooperative agreements to or with public and private institutions and organizations, to enable the institutions and organizations to evaluate the effectiveness of the program and, as appropriate, disseminate the results of the evaluation.

SEC. [404H]. *404G* [20 U.S.C. 1070a–28] AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriate 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.]*such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.*

* * * * * * *

SEC. 413A. [20 U.S.C. 10706] 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 appropriate [$675,000,000 for fiscal year 1999 and such sums as may be necessary for the 4 succeeding fiscal years.]*such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.*

* * * * * * *

SEC. 413D. [20 U.S.C. 1070b–3] ALLOCATION OF FUNDS.

(a) ALLOCATION BASED ON PREVIOUS ALLOCATION.—

(1) From the amount appropriated pursuant to section 413A(b) for each fiscal year, the Secretary shall first allocate to each eligible institution an amount equal to 100 percent of the amount [such institution received under subsections (a) and (b) of this section for fiscal year 1999 (as such subsections were in effect with respect to allocations for such fiscal year).] *such institution received under subsections (a) and (b) of this section for fiscal year 1999 (as such subsections were in effect with respect to allocations for such fiscal year).*

(2) * * *

* * * * * * *

[(4)(A) Notwithstanding any other provision of this section Secretary may allocate an amount equal to not more than 10 percent of the amount by which the amount appropriated in any fiscal year to carry out this part exceeds $700,000,000 among eligible institutions described in subparagraph (B).

[(B) In order to receive an allocation pursuant to subparagraph (A) an institution shall be an eligible institution from which 50 percent or more of the Pell Grant recipients attending such eligible institution graduate from or transfer to a 4-year institution of higher education.]

* * * * * * *

(c) DETERMINATION OF INSTITUTION'S NEED.—

(1) The amount of an institution's need is equal to—

(A) * * *

* * * * * * *

(3)(A) * * *

* * * * * * *

(D) The allowance for books and supplies described in subparagraph (A)(iii) is equal to [$450]*$600*.

* * * * * * *

SEC. 415A. [20 U.S.C. 1070c] PURPOSE; APPROPRIATIONS AUTHORIZED.

(a) PURPOSE OF SUBPART.—* * *

(1) * * *

* * * * * * *

(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.]

(1) IN GENERAL. There are authorized to be appropriated to carry out this subpart such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

(2) * * *

* * * * * * *

SEC. 415C. [20 U.S.C. 1070c–2] APPLICATIONS FOR LEVERAGING EDUCATIONAL ASSISTANCE PARTNERSHIP PROGRAMS,

(a) SUBMISSION AND CONTENTS OF APPLICATIONS.— * * *

(b) PAYMENT OF FEDERAL SHARE OF GRANTS MADE BY QUALIFIED PROGRAM.— * * *

(1) * * *

(2) provides that such grants will be in amounts [not in excess of $5,000 per academic year]*not to exceed the lesser of $12,500 or the student's cost of attendance per academic year* (A) for attendance on a full-time basis at an institution for higher education, and (B) for campus-based community service work learning study jobs;

* * * * * * *

[(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.]

(10) provides notification to eligible students that such grants are—

(A) *Leveraging Educational Assistance Partnership grants; and*

(B) funded by the Federal Government, the State, and other contributing partners.

* * * * * * *

[SEC. 415E. [20 U.S.C. 1070c–3a] 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 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 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 33 ⅓ 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 in order to—

(A) carry out activities under this section; and

(B) provide coordination and cohesion among Federal, State, and local governmental and private efforts that provide financial assistance to help low-income students attend an institution of higher education;

(2) provide need-based grants for access and persistence to eligible low-income students;

(3) provide early notification to low-income students of the students' 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, as described in paragraph (2), 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 such State's 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 described in paragraph (2)(A)(ii).

(2) FEDERAL SHARE.—

(A) IN GENERAL.—The Federal share under this section shall be determined in accordance with the following:

(i) If a State applies for an allotment under this section in partnership with—

(I) 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

(II)(aa) philanthropic organizations that are located in, or that provide funding in, the State; or

(bb) private corporations that are located in, or that do business in, the State,

then the Federal share of the cost of carrying out the activities under subsection (d) shall be equal to 50 percent.

(ii) If a State applies for an allotment under this section in partnership with—

(I) 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

(II)(aa) philanthropic organizations that are located in, or that provide funding in, the State; or

(bb) private corporations that are located in, or that do business in, the State,

then the Federal share of the cost of carrying out the activities under subsection (d) shall be equal to 57 percent.

(B) NON-FEDERAL SHARE.—

(i) IN GENERAL.—The non-Federal share under this section may be provided in cash or in kind, fully evaluated and in accordance with this subparagraph.

(ii) IN KIND CONTRIBUTION.—For the purpose of calculating the non-Federal share under this section, an in kind contribution is a non-cash award that has monetary value, such as provision of room and board and transportation passes, and that helps a student meet the cost of attendance.

(iii) EFFECT ON NEED ANALYSIS.—For the purpose of calculating a student's need in accordance with part F of this title, an in-kind contribution described in clause (ii) shall not be considered an asset or income.

(c) APPLICATION FOR ALLOTMENT.—

(1) IN GENERAL.—

(A) SUBMISSION.—A State that desires to receive an allotment under this section on behalf of a partnership described in paragraph (3) 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 the non-Federal share from State, institutional, philanthropic, or private funds, of not less than the required share of the cost of carrying out the activities under subsection (d), as determined under subsection (b), in accordance with the following:

(I) The State shall specify the methods by which non-Federal share 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.

(II) A State that uses non-Federal funds to create or expand existing sic partnerships with nonprofit organizations or community-based organizations in which such organizations watch State funds for student scholarships, may apply such matching funds from such organizations toward filling the State's non-Federal share 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), including a description of the system the State will use to track the participation of students who receive grants under this section to degree completion.

(v) Assurances that the State has a method in place, such as acceptance of the automatic zero expected family contribution determination described in section 479, to identify eligible low-income students and award State grant aid to such students.

(vi) 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, the State, and other contributing partners.

(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 1 public and 1 private degree granting institution of higher education that are located in the State, if applicable;

(B) new or existing early information and intervention, mentoring, or outreach programs located in the State; and

(C) not less than 1—

(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 non-Federal share 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 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 grants for access and persistence 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 grants for access and persistence 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 grants for access and persistence to eligible low-income students in order to increase the amount of financial assistance such tudents receive under this subpart for undergraduate education expenses.

(B) AMOUNT OF GRANTS.—

(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)(A)(i), the amount of a grant for access and persistence awarded to a student 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 amounts of other Federal or State sponsored grants, work study, and scholarships received by the student), and such grant for access and persistence shall be used toward the cost of attendance at an institution of higher education located in the State.

(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 mandatorty fees at 4-year public institutions of higher education in the State, may increase the amount of grants for access and persistence awarded to students 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 amounts of other Federal or State sponsored grants, work study, and scholarships received by the student).

(ii) PARTNERSHIPS 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)(A)(ii), the amount of a grant for access and persistence awarded to a student by such State shall be not more than an amount that is equal to the average cost of attendance at 4-year public institutions of higher education in the State where the student resides (less any amounts of other Federal or State sponsored grants, work study, and scholarships received by the student), and such grant for access and persistence shall be used by the student to attend an institution of higher education located in the State.

(C) SPECIAL RULES.—

(i) PARTNERSHIP INSTITUTIONS.—A State receiving an allotment under this section may restrict the use of grants for access and persistence under this section by awarding the grants only to students attending institutions of higher education that are participating in the partnership.

(ii) OUT-OF-STATE INSTITUTIONS.—If a State provides grants through another program under this subpart to students attending institutions of higher education located in another State, such agreement may also apply to grants awarded under this section.

(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, in grade 7 through grade 12 in the State, of the students' potential eligibility for student financial assistance, including a grant for access and persistence, 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 eligibility for a grant for access and persistence is enhanced through participation in an early information and intervention, mentoring, or outreach program;

(III) an explanation that student and family eligibility for, and participation in, other Federal means-tested programs may indicate eligibility for a grant for access and persistence and other student aid programs;

(IV) a nonbinding estimate of the total amount of financial aid that a low-income student with a similar income level may expect to receive, including an estimate of the amount of a grant for access and persistence and an estimate 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 a grant for access and persistence, at a minimum, a student shall—

(aa) meet the requirement under paragraph (3);

(bb) graduate from secondary school; and

(cc) enroll at an institution of higher education that is a partner in the partnership or qualifies under subsection (d)(1)(C)(ii);

(VI) information on any additional requirements (such as a student pledge detailing student responsibilities) that the State may impose for receipt of a grant for access and persistence under this section; and

(VII) instructions on how to apply for a grant for access and persistence 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 grant awards for access and persistence 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 or qualifies under subsection (d)(1)(C)(ii);

(II) annual Federal and State appropriations; and

(III) other aid received by the student at the time of the student's enrollment at such institution of higher education.

(3) ELIGIBILITY.—In determining which students are eligible to receive grants for access and persistence, the State shall ensure that each such student meets not less than 1 of the following:

(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, a grant for access and persistence under this section, in accordance with paragraph (5).

(4) GRANT AWARD.—Once a student, including those students who have 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 existing State form, and is determined eligible by the State under paragraph (3), the State shall—

(A) issue the student a preliminary award certificate for a grant for access and persistence with tentative award amounts; and

(B) inform the student that payment of the grant for access and persistence 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 a grant for access and persistence 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 degree completion.

(e) USE OF FUNDS FOR ADMINISTRATIVE COSTS PROHIBITED.—A State that receives an allotment under this section shall not use any of the allotted funds to pay administrative costs associated with any of the authorized activities described in subsection (d).

(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)(A)(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 with 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 the 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 the State's total expenditures for need-based grants, scholarships, and work-study assistance for fiscal year 1999 (including any such assistance provided under this subpart).

(j) CONTINUATION AND TRANSITION.—For the 2-year period that begins on the date of enactment of the Higher Education Amendments of 2007, the Secretary shall continue to award grants under section 415E of the Higher Education Act of 1965 as such section existed on the day before the date of enactment of such Act to States that choose to apply for grants under such predecessor section.

(k) REPORTS.—Not later than 3 years after the date of enactment of the Higher Education Amendments 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. [20 U.S.C. 1070d–2] MAINTENANCE AND EXPANSION OF EXISTING PROGRAMS.

(a) PROGRAM AUTHORITY.—* * *

(b) SERVICES PROVIDED BY HIGH SCHOOL EQUIVALENCY PROGRAM.—* * *

(1) recruitment services to reach persons—

(A)(i) * * *

* * * * * * *

(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;

(6) * * *

(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) * * *

(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) monitoring and reporting the academic progress of students who participated in the project during such stu-

dent'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 institutions 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 ½ of 1 percent for outreach activities, technical assistance, and professional development programs relating to the programs under subsection (a).

[(g)]*(h)* DATA COLLECTION.—The National Center for Education Statistics shall collect postsecondary education data on migrant students.]

(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 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.

[(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 2008 and each of the 5 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 as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.*

* * * * * * *

SEC. 419F. [20 U.S.C. 1070d–36] 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 a home school, whether treated as a home school or a private school under State law)* 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.

SEC. 419K. [20 U.S.C. 1070d–41] 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.]*such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.*

* * * * * * *

Subpart 7—Child Care Access Means Parents in School

SEC. 419N. [20 U.S.C. 1070e] CHILD CARE ACCESS MEANS PARENTS IN SCHOOL.

(a) PURPOSE.—* * *

(b) PROGRAM AUTHORIZED.—* * *

(1) AUTHORITY.—* * *

(2) AMOUNT OF GRANTS.—* * *

(A) IN GENERAL.—* * *

(B) MINIMUM.—[A grant]

(i) IN GENERAL.—Except as provided in clause (ii), a grant under this section shall be awarded in an amount that is not less than $10,000.

(ii) INCREASE TRIGGER.—For any fiscal year for which the amount appropriated under the authority of subsection (g) is equal to or greater than $20,000,000, a grant under this section shall be awarded in an amount that is not less than $30,000.

* * * * * * *

[(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 a Federal Pell Grant for the fiscal year for which the determination is made.]

(7) DEFINITION OF LOW-INCOME STUDENT.—For the purpose of this section, the term "low-income student" means a student who—

(A) is eligible to receive a Federal Pell Grant for the award year for which the determination is made; or

(B) would otherwise be eligible to receive a Federal Pell Grant for the award year for which the determination is made, except that the student fails to meet the requirements of—

(i) section 401(c)(1) because the student is enrolled in a graduate or first professional course of study; or

(ii) section 484(a)(5) because the student is in the United States for a temporary purpose.

* * * * * * *

(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 2008 and each of the 5 succeeding fiscal years.*

* * * * * * *

SEC. 428. [20 U.S.C. 1078] FEDERAL PAYMENTS TO REDUCE STUDENT INTEREST COSTS.

(a) FEDERAL INTEREST SUBSIDIES.—* * *

* * * * * * *

(b) INSURANCE PROGRAM AGREEMENTS TO QUALIFY LOANS FOR INTEREST SUBSIDIES.—

(1) * * *

(A) * * *

* * * * * * *

(X) provides information to the Secretary in accordance with section 428(c)(9) and maintains reserve funds determined by the Secretary to be sufficient in relation to such agency's guarantee obligations; [and]

(Y) provides that—

[(i) the lender shall determine the eligibility of a borrower for a deferment described in subparagraph (M)(i) based on receipt of—

[(I) a request for deferment from the borrower and documentation of the borrower's eligibility for the deferment;

[(II) a newly completed loan application that documents the borrower's eligibility for a deferment; or

[(III) student status information received by the lender that the borrower is enrolled on at least a half-time basis; and]

(i) the lender shall determine the eligibility of a borrower for a deferment described in subparagraph (M)(i) based on—

(I) receipt of a request for deferment from the borrower and documentation of the borrower's eligibility for the deferment;

(II) receipt of a newly completed loan application that documents the borrower's eligibility for a deferment;

(III) receipt of student status information received by the lender that the borrower is enrolled on at least a half-time basis; or

(IV) the lender's confirmation of the borrower's half-time enrollment status through use of the National Student Loan Data System, if the confirma-

tion is requested by the institution of higher education.

(ii) the lender will notify the borrower of the granting of any deferment under clause (i)(II) or (III) of this subparagraph and of the option to continue paying on the loan[.]*; and*

(Z) provides that the lender shall, at the time the lender grants a deferment to a borrower who received a loan under section 428H and is eligible for a deferment under section 428(b)(1)(M), provide information to the borrower to enable the borrower to understand the impact of capitalization of interest on the borrower's loan principal and total amount of interest to be paid during the life of the loan.

(2) CONTENTS OF INSURANCE PROGRAM AGREEMENT.—Such an agreement shall—

(A) * * *

* * * * * * *

(F) * * *

(i) * * *

* * * * * * *

(I) * * *

* * * * * * *

(III) the name and address of the party to whom subsequent payments or communications must be sent; [and]

(IV) the telephone numbers of both the transferor and the transferee; [and]

(V) the effective date of the transfer;

(VI) the date the current servicer will stop accepting payments; and

(VII) the date at which the new servicer will begin accepting payments.

* * * * * * *

[(3) RESTRICTIONS ON INDUCEMENTS, MAILINGS, AND ADVERTISING.—A guaranty agency shall not—

[(A) offer, directly or indirectly, premiums, payments, or other inducements to any educational institution or its employees in order to secure applicants for loans under this part;

[(B) offer, directly or indirectly, any premium, incentive payment, or other inducement to any lender, or any agent, employee, or independent contractor of any lender or guaranty agency, in order to administer or market loans made under this part (other than a loan made under section 428H or a loan made as part of a guaranty agency's lender-of-last-resort program) for the purpose of securing the designation of that guaranty agency as the insurer of such loans;

[(C) conduct unsolicited mailings of student loan application forms to students enrolled in secondary school or a postsecondary institution, or to parents of such students, except that applications may be mailed to borrowers who

have previously received loans guaranteed under this part by the guaranty agency; or

[(D) conduct fraudulent or misleading advertising concerning loan availability.

[It shall not be a violation of this paragraph for a guaranty agency to provide assistance to institutions of higher education comparable to the kinds of assistance provided to institutions of higher education by the Department of Education.]

(3) RESTRICTIONS ON INDUCEMENTS, PAYMENTS, MAILINGS, AND ADVERTISING.—A guaranty agency shall not—

(A) offer, directly or indirectly, premiums, payments, or other inducements to—stock or other securities, prizes, travel, entertainment expenses, tuition repayment,

(i) any institution of higher education or the employees of an institution of higher education in order to secure applicants for loans made under this part; or

(ii) any lender, or any agent, employee, or independent contractor of any lender or guaranty agency, in order to administer or market loans made under this part (other than a loan made under section 428H or a loan made as part of the guaranty agency's lender-of-last-resort program pursuant to section 439(q)) for the purpose of securing the designation of the guaranty agency as the insurer of such loans;

(B) conduct unsolicited mailings, by postal or electronic means, of educational loan application forms to students enrolled in secondary school or postsecondary educational institutions, or to the parents of such students, except that applications may be mailed, by postal or electronic means, to students or borrowers who have previously received loans guaranteed under this part by the guaranty agency;

(C) perform, for an institution of higher education participating in a program under this title, any function that the institution is required to perform under part B, D, or G;

(D) pay, on behalf of the institution of higher education, another person to perform any function that the institution of higher education is required to perform under part B, D, or G; or

(E) conduct fraudulent or misleading advertising concerning loan availability, terms, or conditions.

It shall not be a violation of this paragraph for a guaranty agency to provide technical assistance to institutions of higher education comparable to the technical assistance provided to institutions of higher education by the Department.

* * * * * * *

(c) GUARANTY AGREEMENTS FOR REIMBURSING LOSSES.—

(1) * * *

* * * * * * *

(2) CONTENTS OF GUARANTY AGREEMENTS.—The guaranty agreement—

(a) * * *

* * * * * * *

(H) set forth assurances that—

(i) upon the request of an eligible institution, the guaranty agency shall, subject to clauses (ii) and (iii), furnish to the institution information with respect to students (including the names and addresses of such students) who received loans made, insured, or guaranteed under this part for attendance at the eligible institution and for whom [preclaims]*default aversion* assistance activities have been requested under subsection (l);

(ii) the guaranty agency shall not require the payment from the institution of any fee for such information; and

* * * * * * *

(3) FORBEARANCE.—A guaranty agreement under this subsection—

(A) shall contain provisions providing that—

(i) * * *

* * * * * * *

(D) shall contain provisions that specify that—

(i) forbearance for a period not to exceed 60 days may be granted if the lender reasonably determines that such a suspension of collection activity is warranted following a borrower's request for deferment, forbearance, a change in repayment plan, or a request to consolidate loans, in order to collect or process appropriate supporting documentation related to the request, [and]

(ii) during such period interest shall accrue but not be capitalized[.]*;*

(iii) the lender shall, at the time of granting a borrower forbearance, provide information to the borrower to enable the borrower to understand the impact of capitalization of interest on the borrower's loan principal and total amount of interest to be paid during the life of the loan; and

(iv) the lender shall contact the borrower not less often than once every 180 days during the period of forbearance to inform the borrower of—

(I) the amount of unpaid principal and the amount of interest that has accrued since the last statement of such amounts provided to the borrower by the lender;

(II) the fact that interest will accrue on the loan for the period of forbearance;

(III) the amount of interest that will be capitalized, and the date on which capitalization will occur;

(IV) the ability of the borrower to pay the interest that has accrued before the interest is capitalized; and

(V) the borrower's option to discontinue the forbearance at any time.

* * * * * * *

(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) * * *

(2) as provided in the application, undertakes to meet the requirements of section 422(c)(6)(B) (i), (ii), and (iii),

the Secretary shall consider and act upon such application within 180 days, and shall forthwith notify the [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.

* * * * * * *

(n) BLANKET CERTIFICATE OF LOAN GUARANTY.—

(1) IN GENERAL.—* * *

* * * * * * *

(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. [20 U.S.C. 1078–1] VOLUNTARY FLEXIBLE AGREEMENTS WITH GUARANTY AGENCIES.

(a) VOLUNTARY AGREEMENTS.—

* * * * * * *

(c) PUBLIC NOTICE.—

(1) IN GENERAL.—* * *

* * * * * * *

(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—

* * * * * * *

(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. [20 U.S.C. 1078–3] FEDERAL CONSOLIDATION LOANS.

(a) AGREEMENTS WITH ELIGIBLE LENDERS.—

* * * * * * *

(b) CONTENTS OF AGREEMENTS, CERTIFICATES OF INSURANCE, AND LOAN NOTES.—

(1) * * *

(A) * * *

* * * * * * *

(E) that the lender shall offer an income-sensitive repayment schedule, established by the lender in accordance with the regulations promulgated by the Secretary, to the borrower of any consolidation loan made by the lender on or after July 1, 1994; [and]

(F) that the lender will disclose, in a clear and conspicuous manner, to borrowers who consolidate loans made under part E of this title—

(i) that once the borrower adds the borrower's Federal Perkins Loan to a Federal Consolidation Loan, the borrower will lose all interest-free periods that would have been available, such as those periods 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) the occupations described in section 465(a)(2), individually and in detail, for which the borrower will lose eligibility for Federal Perkins Loan cancellation; and

(G) that the lender shall, upon application for a consolidation loan, provide the borrower with information about the possible impact of loan consolidation, including—

(i) the total interest to be paid and fees to be paid on the consolidation loan, and the length of repayment for the loan;

(ii) whether consolidation would result in a loss of loan benefits under this part or part D, including loan forgiveness, cancellation, and deferment;

(iii) in the case of a borrower that plans to include a Federal Perkins Loan under part E in the consolidation loan, that once the borrower adds the borrower's Federal Perkins Loan to a consolidation loan—

(I) the borrower will lose all interest-free periods that would have been available for such loan under part E, such as the periods during which no interest accrues on the Federal Perkins Loan while the borrower is enrolled in school at least half-time, the grace period, and the periods during which the borrower's student loan repayments are deferred under section 464(c)(2); and

(II) the borrower will no longer be eligible for cancellation of part or all of a Federal Perkins Loan under section 465(a);

(iv) the ability of the borrower to prepay the consolidation loan, pay such loan on a shorter schedule, and to change repayment plans;

(v) that borrower benefit programs for a consolidation loan may vary among different lenders;

(vi) the consequences of default on the consolidation loan; and

(vii) that by applying for a consolidation loan, the borrower is not obligated to agree to take the consolidation loan; and

[(F)**]** *(H)* such other terms and conditions as the Secretary or the guaranty agency may specifically require of the lender to carry out this section.

* * * * * * *

SEC. 428F. [20 U.S.C. 1078–6] DEFAULT REDUCTION PROGRAM.

(a) OTHER REPAYMENT INCENTIVES.—

* * * * * * *

(b) * * *

(c) FINANCIAL AND ECONOMIC LITERACY.—Where appropriate as determined by the institution of higher education in which a borrower is enrolled, each program described in subsection (b) shall include making available financial and economic education materials for the borrower, including making the materials available before, during, or after rehabilitation of a loan.

* * * * * * *

SEC. 430A. [20 U.S.C. 1080a] REPORTS TO [CREDIT BUREAUS]*CONSUMER REPORTING AGENCIES* AND INSTITUTIONS OF HIGHER EDUCATION.

(a) AGREEMENTS TO EXCHANGE INFORMATION.—For the purpose of promoting responsible repayment of loans covered by Federal loan insurance pursuant to this part or covered by a guaranty agreement pursuant to section 428, the Secretary, each guaranty

agency, eligible lender, and subsequent holder shall enter into agreements [with credit bureau organizations]*with each consumer reporting agency that compiles and maintains files on consumers on a nationwide basis (as defined in section 603(p) of the Fair Credit Reporting Act (15 U.S.C. 1681a(p))* to exchange information concerning student borrowers, in accordance with the requirements of this section. For the purpose of assisting such organizations in complying with the Fair Credit Reporting Act, such agreements may provide for timely response by the Secretary (concerning loans covered by Federal loan insurance), by a guaranty agency, eligible lender, or subsequent holder (concerning loans covered by a guaranty agreement), or to requests from such organizations for responses to objections raised by borrowers. Subject to the requirements of subsection (c), such agreements shall require the Secretary, the guaranty agency, eligible lender, or subsequent holder, as appropriate, to disclose to such organizations, with respect to any loan under this part that has not been repaid by the horrower—

(1) the type of loan made, insured, or guaranteed under this title;

[(1)]*(2)* the total amount of loans made to any borrower under this part and the remaining balance of the loans;

(3) information concerning the repayment status of the loan, which information shall be included in the file of the borrower, except that nothing in this subsection shall be construed to affect any otherwise applicable provision of the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.).

[(2)]*(4)* information concerning the date of any default on the loan and the collection of the loan, including information concerning the repayment status of any defaulted loan on which the Secretary has made a payment pursuant to section 430(a) or the guaranty agency has made a payment to the previous holder of the loan; [and]

[(3)]*(5)* the date of cancellation of the note upon completion of repayment by the borrower of the loan or payment by the Secretary pursuant to section 437[.]*; and*

(6) any other information required to be reported by Federal law.

* * * * * * *

SEC. 432. [20 U.S.C. 1082] LEGAL POWERS AND RESPONSIBILITIES.

(a) * * *

* * * * * * *

(f) AUDIT OF FINANCIAL TRANSACTIONS.—

(1) * * *

(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.

* * * * * * *

(m) COMMON FORMS AND FORMATS.—

(1) COMMON GUARANTEED STUDENT LOAN APPLICATION FORM AND PROMISSORY NOTE.—

(A) * * *

* * * * * * *

(D) MASTER PROMISSORY NOTE.—

(i) IN GENERAL.—The Secretary shall develop and require the use of master promissory note forms for loans made under this part and part D. Such forms shall be available for periods of enrollment beginning not later than July 1, 2000. Each form shall allow eligible borrowers to receive, in addition to initial loans, additional loans for the same or subsequent periods of enrollment through a student confirmation process approved by the Secretary. Such forms shall be used for loans made under this part or part D as directed by the Secretary. *Unless otherwise notified by the Secretary, each institution of higher education that participate in the program under this part or part D may use a master promissory note for loans under this part and part D.*

* * * * * * *

(n) DEFAULT REDUCTION MANAGEMENT.—

(1) * * *

* * * * * * *

(3) PLAN FOR USE REQUIRED.—* * *

(A) * * *

* * * * * * *

(D) if the performance standard or goal is impractical or infeasible, why that is the case and what action is recommended, including whether the goal should be changed or the program altered or eliminated.

This report shall be submitted to the Appropriations Committees of the House of Representatives and the Senate and to the [Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate]*authoring committees*.

* * * * * * *

SEC. 433. [20 1083] STUDENT LOAN INFORMATION BY ELIGIBLE LENDERS.

(a) REQUIRED DISCLOSURE BEFORE DISBURSEMENT.—* * *

* * * * * * *

(e) * * *

(f) BORROWER INFORMATION AND PRIVACY.—Each entity participating in a program under this part that is subject to subtitle A of title V of the Gramm-Leach-Bliley Act (15 U.S.C. 6801 et seq.) shall only use, release, disclose, sell, transfer, or give student information, including the name, address, social security number, or amount bor-

rowed by a borrower or a borrower's parent, in accordance with the provisions of such subtitle.

(g) LOAN BENEFIT DISCLOSURES.—

(1) IN GENERAL.—Each eligible lender, holder, or servicer of a loan made, insured, or guaranteed under this part shall provide the borrower with information on the loan benefit repayment options the lender, holder, or servicer offer, including information on reductions in interest rates—

(A) by repaying the loan by automatic payroll or checking account deduction;

(B) by completing a program of on-time repayment; and

(C) under any other interest rate reduction program.

(2) INFORMATION.—Such borrower information shall include

(A) any limitations on such options;

(B) explicit information on the reasons a borrower may lose eligibility for such an option;

(C) examples of the impact the interest rate reductions will have on a borrower's time for repayment and amount of repayment;

(D) upon the request of the borrower, the effect the reductions in interest rates will have with respect to the borrower's payoff amount and time for repayment; and

(E) information on borrower recertification requirements.

* * * * * * *

SEC. 433A. CONSUMER EDUCATION INFORMATION.

Each guaranty agency participating in a program under this part, working with, the institutions of higher education served by such guaranty agency (or in the case of an institution of higher education that provides loans exclusively through part D, the institution working with a guaranty agency or with the Secretary), shall develop and make available a high-quality educational program and materials to provide training for students in budgeting and financial management, including debt management and other aspects of financial literacy, such as the cost of using very high interest loans to pay for postsecondary education, particularly as budgeting and financial management relates to student loan programs authorized by this title. Nothing in this section shall be construed to prohibit a guaranty agency from using an existing program or existing materials to meet the requirement of this section. The activities described in this section shall be considered default reduction activities for the purposes of section 422.

* * * * * * *

SEC. 435. [20 U.S.C. 1085] DEFINITIONS FOR STUDENT LOAN INSURANCE PROGRAM.

As used in this part:

(a) ELIGIBLE INSTITUTION.—

(1) IN GENERAL.—* * *

* * * * * * *

(d) ELIGIBLE LENDER.—

(1) IN GENERAL.—Except as provided in paragraphs (2) through (6), the term "eligible lender" means—

(A) * * *

* * * * * * *

(5) * * *

[(A) offered, directly or indirectly, points, premiums, payments, or other inducements, to any educational institution or individual in order to secure applicants for loans under this part;

[(B) conducted unsolicited mailings to students of student loan application forms, except to students who have previously received loans under this part from such lender;]

(A) offered, directly or indirectly, points, premiums, payments (including payments for referrals and for processing or finder fees), prizes, stock or other securities, travel, entertainment expenses, tuition repayment, the provision of information technology equipment at below-market value, additional financial aid funds, or other inducements to any institution of higher education or any employee of an institution of higher education in order to secure applicants for loans under this part;

(B) conducted unsolicited mailings, by postal or electronic means, of student loan application forms to students enrolled in secondary school or postsecondary institutions, or to parents of such students, except that applications may be mailed, by postal or electronic means, to students or borrowers who have previously received loans under this part from such lender;

(C) entered into any type of consulting arrangement, or other contract to provide services to a lender, with an employee who is employed in the financial aid office of an institution of higher education, or who otherwise has responsibilities with respect to student loans or other financial aid of the institution;

(D) compensated an employee who is employed in the financial aid office of an institution of higher education, or who otherwise has responsibilities with respect to educational loans or other financial aid of the institution, and who is serving on an advisory board, commission, or group established by a lender or group of lenders for providing such service, except that the eligible lender may reimburse such employee for reasonable expenses incurred in providing such service;

(E) performed for an institution of higher education any function that the institution of higher education is required to carry out under part B, D, or G;

(F) paid, on behalf of an institution of higher education, another person to perform, any function that the institution of higher education is required to perform, under part B, D, or G;

(G) provided payments or other benefits to a student at an institution of higher education to act as the lender's representative to secure applications under this title from individual prospective borrowers, unless such, student—

(i) is also employed by the lender for other purposes; and

(ii) made all appropriate disclosures regarding such employment;

[(C)]*(H)* offered, directly or indirectly, loans under this part as an inducement to a prospective borrower to purchase a policy of insurance or other product; or

[(D)]*(I)* engaged in fraudulent or misleading advertising. It shall not be a violation of this paragraph for a lender to provide assistance to institutions of higher education comparable to the kinds of assistance provided to institutions of higher education by the Department of Education.

* * * * * * *

(8) SUNSET OF AUTHORITY FOR SCHOOL AS LENDER PROGRAM.—

(A) SUNSET.—The authority provided under subsection (d)(1)(E) for an institution to serve as an eligible lender, and under paragraph (7) for an eligible lender to serve as a trustee for an institution of higher education or an organization affiliated with an institution of higher education, shall expire on June 30, 2012.

(B) APPLICATION TO EXISTING INSTITUTIONAL LENDERS.—An institution that was an eligible lender under this subsection, or an eligible lender that served as a trustee for an institution of higher education or an organization affiliated with an institution of higher education under paragraph (7), before June 30, 2012, shall—

(i) not issue any new loans in such a capacity under part B after June 30, 2012; and

(ii) continue to carry out the institution's responsibilities for any loans issued by the institution under part B on or before June 30, 2012, except that, beginning on June 30, 2011, the eligible institution or trustee may, notwithstanding any other provision of this Act, sell or otherwise dispose of such loans if all profits from the divestiture are used for need-based grant programs at the institution.

(C) AUDIT REQUIREMENT.—All institutions serving as an eligible lender under subsection (d)(1)(E) and all eligible lenders serving as a trustee for an institution of higher education or an organization affiliated with an institution of higher education shall annually complete and submit to the Secretary a compliance audit to determine whether—

(i) the institution or lender is using all proceeds from special allowance payments and interest payments from borrowers, interest subsidies received from the Department, and any proceeds from the sale or other disposition of loans, for need-based aid programs, in accordance with section 435(d)(2)(A)(viii);

(ii) the institution or lender is using no more than a reasonable portion of the proceeds described in section 435(d)(2)(A)(viii) for direct administrative expenses; and

(iii) the institution or lender is ensuring that the proceeds described in section 435(d)(2)(A)(viii) are being used to supplement, and not to supplant, non-Federal

funds that would otherwise be used for needbased grant programs.

* * * * * * *

SEC. 437. [20 U.S.C. 1087] 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), *or if a student borrower who has received such a loan is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death, has lasted for a continuous period of not less than 60 months, or can be expected to last for a continuous period of not less than 60 months* then the Secretary shall discharge the borrower's liability on the loan by repaying the amount owed on the loan. *The Secretary may develop such safeguards as the Secretary determines necessary to prevent fraud and abuse in the discharge of liability under this subsection. Notwithstanding any other provision of this subsection, the Secretary may promulgate regulations to resume collection on loans discharged under this subsection in any case in which—*

(1) a borrower received a discharge of liability under this subsection and after the discharge the borrower—

(A) receives a loan made, insured or guaranteed under this title; or

(B) has earned income in excess of the poverty line; or

(2) the Secretary determines necessary.

* * * * * * *

(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. [20 U.S.C. 1087–2] STUDENT LOAN MARKETING ASSOCIATION.

(a) PURPOSE.—* * *

* * * * * * *

(d) AUTHORITY OF ASSOCIATION.—

(1) IN GENERAL.—The Association is authorized, subject to the provisions of this section—

(A) * * *

* * * * * * *

(E) * * *

(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 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 ensures the safety and soundness of the Association.

(4) * * *

(5) CAPITAL RESTORATION PLAN.—

(A) SUBMISSION, APPROVAL, AND IMPLEMENTATION.—* * *

(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 he 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

(7) * * *

* * * * * * *

(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 res-

toration 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.

(9) * * *

* * * * * * *

(10) REVIEW BY SECRETARY OF EDUCATION.—The Secretary of Education shall review the Secretary of the Treasury's submission 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*—

* * * * * * *

(s) CHARTER SUNSET.—

(1) APPLICATION OF PROVISIONS.—* * *

(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—

* * * * * * *

(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. [42 U.S.C. 2751] PURPOSE; APPROPRIATIONS AUTHORIZED.

(a) PURPOSE.— * * *

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this part, [$1,000,000,000 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 2008 and each of the 5 succeeding fiscal years.*

* * * * * * *

SEC. 442. [42 U.S.C. 2752] ALLOCATION OF FUNDS.

(a) ALLOCATION BASED ON PREVIOUS ALLOCATION.—

(1) * * *

* * * * * * *

(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. 443. [42 U.S.C. 2753] GRANTS FOR FEDERAL WORK-STUDY PROGRAMS.

(a) AGREEMENTS REQUIRED.—* * *

(b) CONTENTS OF AGREEMENTS.—An agreement entered into pursuant to this section shall—

(1) * * *

* * * * * * *

(2) * * *

[(A) for fiscal year 1999, an institution shall use at least 5 percent of the total amount of funds granted to such institution under this section in any fiscal year to compensate students employed in community service (including a reasonable amount of time spent in travel or training directly related to such community service), except that the Secretary may waive this subparagraph if the Secretary determines that enforcing it would cause of funds granted to such institution under this section for (for students at an institution;]

[(B)]*(A)* for fiscal year 2000 and succeeding fiscal years, an institution shall use at least 7 percent of the total amount of funds granted to such institution under this section for such fiscal year to compensate students employed in community service, and shall ensure that not less than 1 tutoring or family literacy project (as described in subsection (d)) is included in meeting the requirement of this subparagraph, except that the Secretary may waive [this subparagraph if the Secretary determines that enforcing this subparagraph would cause hardship for students at the institution;]*this subparagraph if*—and

(i) the Secretary determines that enforcing this subparagraph would cause hardship for students at the institution; or

(ii) the institution certifies to the Secretary that 15 percent or more of its total full-time enrollment participates in community service activities described in sec-

tion 441(c) or tutoring and literacy activities described in subsection (d) of this section;

[(C)]*(B)* an institution may use a portion of the sums granted to it to meet administrative expenses in accordance with section 489 of this Act, may use a portion of the sums granted to it to meet the cost of a job location and development program in accordance with section 446 of this part, and may transfer funds in accordance with the provisions of section 488 of this Act;

* * * * * * *

SEC. 446. [42 U.S.C. 2756] JOB LOCATION AND DEVELOPMENT PROGRAMS.

(a) AGREEMENTS REQUIRED.—

(1) The Secretary is authorized to enter into agreements with eligible institutions under which such institution may use not more than 10 percent or [$50,000]*$75,000* of its allotment under section 442, whichever is less, to establish or expand a program under which such institution, separately or in combination with other eligible institutions, locates and develops jobs, in eluding community service jobs, for currently enrolled students.

* * * * * * *

SEC. 448. [42 U.S.C. 2756b] 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 institutions's educational program and a part of a financial plan which decreases reliance on grants and loans.

(b) SOURCE AND USE FUNDS.—

(1) SOURCE OF FUNDS.—In addition the sums appropriated [under subsection (f)]*for this section under section 441(b)*, funds allocated to the institution under part C and part E this title may be transferred for use under this section to provide flexibility in strengthening the self-help-through-work element in financial aid packaging.

(2) ACTIVITIES AUTHORIZED.—From the sums appropriated [pursuant to subsection (f) *for this section under section 441(b)*, 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 education costs of qualified students through self-help payments or credits provided under the [work-learning program]*comprehensive work-learning-service program* of the institution within the limits of part F of this title;

* * * * * * *

(C) support existing and new model student volunteer community service projects associated with local institutions of higher education, such as operating drop-in resource centers that are staffed by students and that link people in need with the resources and opportunities necessary to become self-sufficient; and

[(C)]*(D)* carry out activities described in section 443 or 446;

[(D)]*(E)*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* alternative that expand opportunities for community service and career-related work; and

(ii) alternatives that develop sound citizenship, encourage student persistence, and make optimum use of assistance under this part in education and student development;

[(E)]*(F)*coordinate and carry out joint projects and activities to promoter [work service learning]*work-learning-service* and

[(F)]*(G)*carry out a comprehensive, longitudinal study of student academic progress and academic and career outcomes, relative to student self-sufficiency in financing their higher education, repayment of student loans, continued and career community service, kind and quality of service performed, and career choice and community service selected after graduation.

(c) APPLICATION.—Each eligible institution may submit an application for funds authorized [by subsection subsection (f) to use funds under subsection (b)(1)]*for this section under section 441(b) or to use funds under subsection (b)(1),* at such time and in such manner as the Secretary, by regulation, may reasonably require.

* * * * * * *

(e) * * *

(1) the term "work-college" means an eligible institution that—

(A) has been a public or private nonprofit *4-year, degree-granting* institution with a commitment to community service;

(B) has operated a comprehensive [work-learning]*work-learning-service* 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 progrm and as part of the institution's educational philosophy; and]

(C) requires all resident students, including at least 1/2 of all resident students, who are enrolled on a full-time basis, to participate in a comprehensive work-learning-service program for not less than 5 hours each week, or not less than 80 hours during each period of enrollment except summer school, unless the student is engaged in a study abroad or externship program that is organized or approved by the institution; and

(D) provides students participating in the comprehensive [work-learning]*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 program" means a student work/service program that is an inte-

gral 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.]

(2) the term "comprehensive 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 learing 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 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years.]

* * * * * * *

SEC. 455. [20 U.S.C. 1087e] TERMS AND CONDITIONS OF LOANS.

(a) IN GENERAL.—* * *

* * * * * * *

(b) INTEREST RATE.—

(1) * * *

* * * * * * *

(8) REPAYMENT INCENTIVES.—

(A) IN GENERAL.—* * *

(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 commit-*

tees not less than 60 days prior to the publication of regulations proposing such reductions.

* * * * * * *

(g) FEDERAL DIRECT CONSOLIDATION LOANS.—A borrower of a loan made under this part may consolidate such loan with the loans described in section 428C(a)(4). To be eligible for a consolidation loan under this part, a borrower shall meet the eligibility criteria set forth in section 428C(a)(3). The Secretary, upon application for such a loan, shall comply with the requirements applicable to a lender under section **[**428C(b)(1)(F)**]***428C(b)(1)(H)*.

* * * * * * *

PART E—FEDERAL PERKINS LOANS

SEC. 461. [20 U.S.C. 1087aa] APPROPRIATIONS AUTHORIZED.

(a) PROGRAM AUTHORITY.—* * *

(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 and such sums as may be necessary for each of the 4 succeeding fiscal years.**]***such sums as may be necessary for each of the fiscal years* 2008 through 2012.

* * * * * * *

SEC. 464. [20 U.S.C. 1087dd] TERMS OF LOANS.

(a) TERMS AND CONDITIONS.—

(1) * * *

* * * * * * *

(c) CONTENTS OF LOAN AGREEMENT.—

(1) Any agreement between an institution and a student for a loan from a student loan fund assisted under this part—

(A) * * *

* * * * * * *

(F) shall provide that the liability to repay the loan shall be canceled upon the death of the borrower, **[**or if he**]***if the borrower* becomes permanently and totally disabled as determined in accordance with regulations of the Secretary *or if the borrower is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death, has lasted for a continuous period of not less than 60 months, or can be expected to last for a continuous period of not less than 60 months*;

* * * * * * *

(7) * * *

(8) The Secretary may develop such additional safeguards as the Secretary determines necessary to prevent fraud and abuse in the cancellation of liability under paragraph (1)(F). Notwithstanding paragraph (1)(F), the Secretary may promulgate regulations to resume collection on loans cancelled under paragraph (1)(F) in any case in which—

(A) a borrower received a cancellation of liability under paragraph (1)(F) and after the cancellation the borrower—

(i) receives a loan made, insured or guaranteed under this title; or

(ii) has earned income in excess of the poverty line; or

(B) the Secretary determines necessary.

* * * * * * *

SEC. 465. [20 U.S.C. 1087ee] 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—

* * *

* * * * * * *

(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 faculty member at a Tribal College or University, as that term is defined in section 316;

(K) 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

(L) 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) * * *

(i) in the case of service described in subparagraph (A), (C) *(D)* (F), (G), (H), [or (I)]*(I), (J), (K), or (L)* 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 services:

(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.

* * * * * * *

SEC. 472. [20 U.S.C. 108711] COST OF ATTENDANCE.

For the purpose of this title, the term "cost of attendance" means—

(1) * * *

* * * * * * *

(3) * * *

(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. 480. [20 U.S.C. 1087vv] DEFINITIONS.

As used in this part:

(a) TOTAL INCOME.—

(1) * * *

* * * * * * *

(b) UNTAXED INCOME AND BENEFITS.—The term "untaxed income and benefits" means—

(1) child support received;

* * * * * * *

(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;

* * * * * * *

PART G—GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE PROGRAMS

SEC. 481. DEFINITIONS.

(a) ACADEMIC AND AWARD YEAR.—

(1) * * *

(2) * * *

* * * * * * *

(B) The Secretary may reduce such minimum of 30 weeks to not less than 26 weeks for good cause, as determined by the Secretary on a case-by-case basis, in the case of an institution of higher education that provides a 2-year or 4-year program of instruction for which the institution awards an associate or baccalaureate degree *and that measures program length in credit hours or clock hours.*

* * * * * * *

SEC. 482. [20 U.S.C. 1089] MASTER CALENDAR.

(a) SECRETARY REQUIRED TO COMPLY WITH SCHEDULE.—* * *

* * * * * * *

(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. [20 U.S.C. 1090] 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 delivery 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).

[(3) 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) CONTRACTS FOR COLLECTION AND PROCESSING.—

(A) The Secretary shall, to the extent practicable, enter into not less than 5 contracts with States, institutions of higher education, or private organizations for the purposes of the timely collection and processing of the form developed pursuant to paragraph (1) and the timely delivery of the data submitted on such form. The Secretary shall use such contracts to assist States and institutions of higher education with the collection of additional data required to award State or institutional financial assistance, except that the Secretary shall not include these additional data items on the common financial reporting form developed

pursuant to this section. The Secretary shall include in each such contract a requirement that—

[(i) any charges by the contractor to the student or parent or additional data items required by a State or institution for any purpose (regardless of the method of collection) shall be reasonable and shall not exceed the marginal cost of collecting, processing, and delivering such additional data, taking into account any payment received by the contractor to produce, distribute, and process the common financial reporting form prescribed by the Secretary pursuant to paragraph (1); and

[(ii) the contractor will require any person or entity to whom the contractor provides such additional data to agree not to collect from any student or parent any charge that would not be permitted under this subparagraph for any such additional data.

[(B) To the extent practicable, the Secretary shall ensure that at least one contractor, or a portion of one contract, under this paragraph will serve graduate and professional students.

[(C) As part of the procurement process for the 1993–1994 award year, and for all procurements thereafter pertaining to the contracts under this paragraph, the Secretary shall require all entities competing for such contracts to comply with all requirements of this subsection and to—

[(i) use the common financial reporting form as prescribed in paragraph (1), which shall be clearly identified as the "Free Application for Federal Student Aid"; and

[(ii) use a common, simplified reapplication form as the Secretary shall prescribe pursuant to subsection (b), in each award year.

[(D) The Secretary shall reimburse all approved contractors at a reasonable predetermined rate for processing such applications, for issuing eligibility reports, and for carrying out other services or requirements that may be prescribed by the Secretary.

[(E) All approved contractors shall be required to adhere to all editing, processing, and reporting requirements established by the Secretary to ensure consistency.

[(F) No approved contractor shall enter into exclusive arrangements with guarantors, lenders, secondary markets, or institutions of higher education for the purpose of reselling or sharing of data collected for the multiple data entry process. All data collected under a contract issued by the Secretary pursuant to this paragraph for the multiple data entry process is the exclusive property of the Secretary and may not be transfer to a third party by an approved contractor without the Secretary's express written approval.

[(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 disclosures 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) 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) 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.

[(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.]

(a) COMMON FINANCIAL AID FORM DEVELOPMENT AND PROCESSING.—

(1) IN GENERAL.—

(A) COMMON FORMS.—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 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 forms shall be made available to applicants in both paper and electronic formats.

(B) FAFSA.—The common financial reporting forms described in this subsection (excluding the form described in paragraph, (2)(B)), shall be referred to collectively as the "Free Application for Federal Student Aid", or "FAFSA".

(2) PAPER FORMAT.—

(A) IN GENERAL.—The Secretary shall encourage applicants to file the electronic versions of the forms described in paragraph (3), but shall develop, make available, and process—

(i) a paper version of EZ FAFSA, a described in subparagraph (B); and

(ii) a paper version of the other forms described in this subsection, in accordance with subparagraph (C), for any applicant who does not meet the requirements of or does not wish to use the process described in subparagraph (B).

(B) EZ FAFSA.—

(i) IN GENERAL.—The Secretary shall develop and use, after appropriate field testing, a simplified paper application form for applicants meeting the requirements of section 479(c), which form shall be referred to as the "EZ FAFSA".

(ii) REQUIRED FEDERAL DATA ELEMENTS.—The Secretary shall include on the EZ FAFSA only the data elements required to determine student eligibility and whether the applicant meets the requirements of section 479(c).

(iii) REQUIRED STATE DATA ELEMENTS.—The Secretary shall include on the EZ FAFSA such data items as may be necessary to award State financial assistance, as provided under paragraph (5), except the Secretary shall not include a State's data if that State does not permit its applicants for State assistance to use the EZ FAFSA.

(iv) FREE AVAILABILITY AND DATA DISTRIBUTION.—The provisions of paragraphs (6) and (10) shall apply to the EZ FAFSA.

(C) PHASE-OUT OF FULL PAPER FAFSA.—

(i) PHASE-OUT OF PRINTING OF FULL PAPER FAFSA.—At such time as the Secretary determines that it is not cost-effective to print the full paper version of FAFSA, the Secretary shall—

(I) phase out the printing of the full paper version of FAFSA;

(II) maintain on the Internet easily accessible, downloadable formats of the full paper version of FAFSA; and

(III) provide a printed copy of the full paper version of FAFSA upon request.

(ii) USE OF SAVINGS.—The Secretary shall utilize any savings realized by phasing out the printing of the full paper version of FAFSA and moving applicants to the electronic versions of FAFSA, to improve access to the electronic versions for applicants meeting the requirements of section 479(c).

(3) ELECTRONIC VERSIONS.—

(A) IN GENERAL.—The Secretary shall produce, make available through a broadly available website, and process electronic versions of the FAFSA and the EZ FAFSA.

(B) MINIMUM QUESTIONS.—The Secretary shall use all available technology to ensure that a student using an electronic version of the FAFSA under this paragraph answers only the minimum number of questions necessary.

(C) REDUCED REQUIREMENTS.—The Secretary shall enable applicants who meet the requirements of subsection (b) or (c) of section 479 to provide information on the electronic version of the FAFSA only for the data elements required to determine student eligibility and whether the applicant meets the requirements of subsection (b) or (c) of section 479.

(D) STATE DATA.—The Secretary shall include on the electronic version of the FAFSA the questions needed to deter-

mine whether the applicant is eligible for State financial assistance, as provided under paragraph (5), except that the Secretary shall not—

(i) require applicants to complete data required by any State other than the applicant's State of residence; and

(ii) include a State's data if such State does not permit its applicants for State assistance to use the electronic version of the FAFSA described in this paragraph.

(E) FREE AVAILABILITY AND DATA DISTRIBUTION.—The provisions of paragraphs (6) and (10) shall apply to the electronic version of the FAFSA.

(F) USE OF FORMS.—Nothing in this subsection shall be construed to prohibit the use of the electronic versions of the forms developed by the Secretary pursuant to this paragraph by an eligible institution, eligible lender, a guaranty agency, a State grant agency, a private computer software provider, a consortium of such entitles, or such other entity as the Secretary may designate. Data collected by the electronic versions of such forms shall be used only for the application, award, and administration of aid awarded under this title, State aid, or aid awarded by eligible institutions or such entities as the Secretary may designate. No data collected by such electronic versions 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.

(G) 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 an electronic version of a form developed by the Secretary under 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 form.

(H) SIGNATURE.—Notwithstanding any other provisions of this Act, the Secretary may permit an electronic version of a form developed under this paragraph to be submitted without a signature, if a signature is sequently submitted by the applicant or if the applicant uses a personal identification number provided by the Secretary under subparagraph (I).

(I) PERSONAL IDENTIFICATION NUMBERS AUTHORIZED.—The Secretary is authorized to assign to an applicant a personal identification number—

(i) to enable the applicant to use such number as a signature for purposes of completing an electronic version of a form developed under this paragraph; and

(ii) for any purpose determined by the Secretary to enable the Secretary to carry out this title.

(I) PERSONAL IDENTIFICATION NUMBER IMPROVEMENT.—Not later than 180 days after the date of enactment of the Higher Education Amendments of 2007, 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.

(4) STREAMLINED REAPPLICATION PROCESS.—

(A) IN GENERAL.—The Secretary shall develop streamlined paper and electronic reapplication forms and processes for an applicant who applies for financial assistance under this title in the next succeeding academic year subsequent to an academic year for which such applicant applied for financial assistance under this title.

(B) UPDATING OF DATA ELEMENTS.—The Secretary shall determine, in cooperation with States, institutions of higher education, agencies, and organizations involved in student financial assistance, the data elements that may be transferred from the previous academic year's application and those data elements that shall be updated.

(C) 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.

(D) ZERO FAMILY CONTRIBUTION.—Applicants determined to have a zero family contribution pursuant to section 479(c) shall not be required to provide any financial data in a reapplication form, except data that are necessary to determine eligibility under such section.

(5) STATE REQUIREMENTS.—

(A) IN GENERAL.—Except as provided in paragraphs (2)(B)(iii) (3)(D), and (4)(B), the Secretary shall include on the forms developed under this subsection, such State-specific data items as the Secretary determines are necessary to meet State requirements for need-based State aid. Such items shall be selected in consultation with State agencies in order to assist in the awarding of State financial assistance in accordance with the terms of this subsection. The number of such data items shall not be less than the number included on the common financial reporting form for the 2005–2006 award year unless a State notifies the Secretary that the State no longer requires those data items for the distribution of State need-based aid.

(B) ANNUAL REVIEW.—The Secretary shall conduct an annual review to determine—

(i) which data items each State requires to award need-based State aid; and

(ii) if the State will permit an applicant to file a form described in paragraph (2)(B) or (3)(C).

(C) USE OF SIMPLIFIED APPLICATION FORMS ENCOURAGED.—The Secretary shall encourage States to take such steps as are necessary to encourage the use of simplified forms under this subsection, including those forms de-

scribed in paragraphs (2)(B) and (3)(C), for applicants who meet the requirements of subsection (b) or (c) of section 479.

(D) CONSEQUENCES IF STATE DOES NOT ACCEPT SIMPLIFIED FORMS.—If a State does not permit an applicant to file a form described in paragraph (2)(B) or (3)(C) for purposes of determining eligibility for State need-based financial aid, the Secretary may determine that State-specific questions for such State will not be included on a form described in paragraph (2)(B) or (3)(B). If the Secretary makes such determination, the Secretary shall advise the State of the Secretary's determination.

(E) LACK OF STATE RESPONSE TO REQUEST FOR INFORMATION.—If a State does not respond to the Secretary's request for information under subparagraph (B), the Secretary shall—

(i) permit residents of that State to complete simplified forms under paragraphs (2)(B) and (3)(B); and

(ii) not require any resident of such State to complete any data items previously required by that State under this section.

(F) RESTRICTION.—The Secretary shall not require applicants to complete any financial or non-financial data items that are not required—

(i) by the applicant's State; or

(ii) by the Secretary.

(6) CHARGES TO STUDENTS AND PARENTS FOR USE OF FORMS PROHIBITED.—The need and eligibility of a student for financial assistance under parts A through E (other than under subpart 4 of part A) may be determined only by using a form developed by the Secretary under this subsection. Such forms shall be produced, distributed, and processed by the Secretary, and no parent or student shall be charged a fee by the Secretary, a contractor, a third-party servicer or private software provider, or any other public or private entity for the collection, processing, or delivery of financial aid through the use of such forms. No data collected on a paper or electronic version of a form developed under this subsection, or other document that was created to replace, or used to complete, such a form, and for which a fee was paid, shall be used.

(7) RESTRICTIONS ON USE OF PIN.—No person, commercial entity or other entity, shall request, obtain, or utilize an applicant's personal identification number assigned under paragraph (3)(I) for purposes of submitting a form developed under this subsection on an applicant's behalf.

(8) APPLICATION PROCESSING CYCLE.—The Secretary shall enable students to submit forms developed under this subsection and initiate the processing of such forms under this subsection, as early as practicable prior to January 1 of the student's planned year of enrollment.

(9) EARLY ESTIMATES OF EXPECTED FAMILY CONTRIBUTIONS.—The Secretary shall permit an applicant to complete a form described in this subsection in the years prior to enrollment in order to obtain from the Secretary a nonbinding estimate of the applicant's expected family contribution, computed in accordance with part F. Such applicant shall be permitted to update

information submitted on a form described in this subsection using the process required under paragraph (4).

(10) DISTRIBUTION OF DATA.—Institutions of higher education, guaranty agencies, and States shall receive, without charge, the data collected by the Secretary using a form developed under this subsection for the purposes of processing loan applications and determining need and eligibility for institutional and State financial aid awards. Entities designated by institutions of higher education, guaranty agencies, or States to receive such data shall be subject to all the requirements of this section, unless such requirements are waived by the Secretary.

(11) THIRD PARTY SERVICERS AND PRIVATE SOFTWARE PROVIDERS.—To the extent practicable and in a timely manner, the Secretary shall provide, to private organizations and consortia that develop software used by institutions of higher education for the administration of funds under this title, all the necessary specifications that the organizations and consortia must meet for the software the organizations and consortia develop, produce, and distribute (including any diskette, modem, or network communications) 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 multiple means of providing such specifications, including conferences and other meetings, outreach, and technical support mechanisms (such as training and printed reference materials). The Secretary shall, from time to time, solicit from such, organizations and consortia means of improving the support provided by the Secretary.

(12) PARENT'S SOCIAL SECURITY NUMBER AND BIRTH DATE.—The Secretary is authorized to include space on the forms developed under this subsection, for the social security number and birth date of parents of dependent students seeking financial assistance under this title.

[(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 **[**Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives**]** *authorizing committees* that 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 national clearinghouse on postsecondary educaion **[**that is authorized under section 685(d)(2)(C) of the Individuals with Disabilities Education Act.**]** *or other appropriate provider of technical assistance and information on postsecondary educational services that is authorized under section 663(a) of the Individuals with Disabilities Education Act. Not later than 2 years after the date of enactment*

of the Higher Education Amendments of 2007, the Secretary shall test and implement, to the extent practicable, a toll-free telephone based system to permit applicants who meet the requirements of 479(c) to submit an application over such system.

[(e) 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.**]**

(d) ASSISTANCE IN PREPARATION OF FINANCIAL AID APPLICATION.—

(1) PREPARATION AUTHORIZED.—Notwithstanding any provision of this Act, an applicant may use a preparer for consultative or preparation services for the completion of a form developed under subsection (a) if the preparer satisfies the requirements of this subsection.

(2) PREPARER IDENTIFICATION REQUIRED.—If an applicant uses a preparer for consultative or preparation services for the completion of a form developed under subsection (a), the preparer shall include the name, signature, address or employers address, social security number or employer identification number; and organizational affiliation of the preparer on the applicant's form.

(3) ADDITIONAL REQUIREMENTS.—A preparer that provides consultative or preparation services pursuant to this subsection shall—

(A) clearly inform each individual upon initial contact, including contact through the Internet or by telephone, that the FAFSA and EZ FAFSA may be completed for free via paper or electronic versions of the forms that are provided by the Secretary;

(B) include in any advertising clear and conspicuous information that the FAFSA and EZ FAFSA may be completed for free via paper or electronic versions of the forms that are provided by the Secretary;

(C) if advertising or providing any information on a website, or if providing services through, a website, include on the website a link to the website described in subsection (a)(3) that provides the electronic versions of the forms developed under subsection (a);

(D) refrain from producing or disseminating any form other than the forms developed by the Secretary under subsection (a); and

(E) not charge any fee to any individual seeking services who meets the requirements of subsection (b) or (c) of section 479.

(4) SPECIAL RULE.—Nothing in this Act shall be construed to limit preparers of the financial reporting forms required to be made under this title that meet the requirements of this subsection from collecting source information from a student or parent, including Internal Revenue Service tax forms, in providing consultative and preparation services in completing the forms.

(e) EARLY APPLICATION AND AWARD DEMONSTRATION PROGRAM.—

(1) PURPOSE.—The purpose of the demonstration program implemented under this subsection is to determine the feasibility of implementing a comprehensive early application and notification system for all dependent students and to measure the benefits and costs of such a system.

(2) PROGRAM AUTHORIZED.—Not later than 2 years after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall implement an early application demonstration program enabling dependent students who wish to participate in the program—

(A) to complete an application under this subsection during the academic year that is 2 years prior to the year such students plan to enroll in an institution of higher education; and

(B) based on the application described in subparagraph (A), to obtain, not later than 1 year prior to the year of the students' planned enrollment, information on eligibility for Federal Pell Grants, Federal student loans under this title, and State and institutional financial aid for the student's first year of enrollment in an the institution of higher education.

(3) EARLY APPLICATION AND AWARD.—For all dependent students selected for participation in the demonstration program who submit a completed FAFSA, or, as appropriate, an EZ FAFSA, 2 years prior to the year such students plan to enroll in an institution of higher education, the Secretary shall, not later than 1 year prior to the year of such planned enrollment—

(A) provide each student who meets the requirements under section 479(c) with a determination of such student's—

(i) expected family contribution for the first year of the student's enrollment in an institution of higher education; and

(ii) Federal Pell Grant award for the first such year, based on the maximum Federal Pell Grant award at the time of application;

(B) provide each student who does not meet the requirements under section 479(c) with an estimate of such student's—

(i) expected family contribution for the first year of the student's planned enrollment; and

(ii) Federal Pell Grant award for the first such year, based on the maximum Federal Pell Grant award at the time of application; and

(C) remind the students of the need to update the students' information during the calendar year of enrollment using the expedited reapplication process provided for in subsection (a)(4).

(4) PARTICIPANTS.—The Secretary shall include, as participants in the demonstration program

(A) States selected through the application process described in paragraph (5);

(B) institutions of higher education within the selected States that are interested in participating in the demonstration program, and that can make estimates or com-

mitments of institutional student financial aid, as appropriate, to students the year before the students' planned enrollment date; and

(C) secondary schools within the selected States that are interested in participating in the demonstration program, and can commit resources to—

(i) advertising the availability of the program;

(ii) identifying students who might be interested in participating in the program;

(iii) encouraging such students to apply; and

(iv) participating in the evaluation of the program.

(5) APPLICATIONS.—States that are interested in participating in the demonstration program shall submit an application, to the Secretary at such time, in such form, and containing such information as the Secretary shall require. The application shall include—

(A) information on the amount of the State's need-based student financial assistance available, and the eligibility criteria for receiving such assistance;

(B) a commitment to make, not later than the year before the dependent students participating in the demonstration program plan to enroll in an institution of higher education—

(i) determinations of State financial aid awards to dependent students participating in the program who meet the requirements of section 479(c); and

(ii) estimates of State financial aid awards to other dependent students participating in the program;

(C) a plan for recruiting institutions of higher education and secondary schools with different demographic characteristics to participate in the program;

(D) a plan for selecting institutions of higher education and secondary schools to participate in the program that—

(i) demonstrate a commitment to encouraging students to submit a FAFSA, or, as appropriate, an EZ FAFSA, 2 years before the students' planned date of enrollment in an institution of higher education;

(ii) serve different populations of students;

(iii) in the case of institutions of higher education—

(I) to the extent possible, are of varying types and control; and

(II) commit to making, not later than the year prior to the year that dependent students participating in the demonstration program plan to enroll in the institution—

(aa) institutional awards to participating dependent students who meet the requirements of section 479(c);

(bb) estimates of institutional awards to other participating dependent students; and

(cc) expected or tentative awards of grants or other financial aid available under this title (including supplemental grants under subpart 3 of part A), for all participating dependent students, along with information on State

awards, as provided to the institution by the State;

(E) a commitment to participate in the evaluation conducted by the Secretary; and

(F) such other information as the Secretary may require.

(6) SPECIAL PROVISIONS.—

(A) DISCRETION OF STUDENT FINANCIAL AID ADMINISTRATORS.—A financial aid administrator at an institution of higher education participating in a demonstration program under this subsection may use the discretion provided under section 479A as necessary in awarding financial aid to students participating in the demonstration program.

(B) WAIVERS.—The Secretary is authorized to waive, for an institution participating in the demonstration program, any requirements under the title, or regulations prescribed under this title, that would make the demonstration program unworkable, except that the Secretary shall not waive any provisions with respect to the maximum award amounts for grants and loans under this title.

(7) OUTREACH.—The Secretary shall make appropriate efforts in order to notify States, institutions of higher education, and secondary schools of the demonstration program.

(8) EVALUATION.—The Secretary shall conduct a rigorous evaluation of the demonstration program to measure the program's benefits and adverse effects, as the benefits and effects relate to the purpose of the program described in paragraph (1). In conducting the evaluation, the Secretary shall—

(A) identify whether receiving financial aid awards or estimates, as applicable, 1 year prior to the year in which the student plans to enroll in an institution of higher education, has a positive impact on the higher education aspirations and plans of such student;

(B) measure the extent to which using a student's income information from the year that is 2 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;

(C) determine what operational changes would be required to implement the program on a larger scale;

(D) identify any changes to Federal law that would be necessary to implement the program on a permanent basis; and

(E) 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.

(9) CONSULTATION.—The Secretary shall consult, as appropriate, with the Advisory Committee on Student Financial Assistance established under section 491 on the design, implementation, and evaluation of the demonstration program.

(f) USE OF IRS DATA AND REDUCED INCOME AND ASSET INFORMATION TO DETERMINE ELIGIBILITY FOR STUDENT FINANCIAL AID.—

(1) FORMATION OF STUDY GROUP.—Not later than 180 days after the date of enactment of the Higher Education Amendments of 2007, the Comptroller General of the United States

and the Secretary of Education shall convene a study group whose members shall include the Secretary of the Treasury, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and such other individuals as the Comptroller General and Secretary of Education may designate.

(2) STUDY REQUIRED.—The Comptroller General and the Secretary, in consultation with the study group convened under paragraph (1), shall design and conduct a study to identify and evaluate the means of simplifying the process of applying for Federal financial aid available under this title. The study shall focus on developing alternative approaches for calculating the expected family contribution that use substantially less income and asset data than the methodology currently used, as of the time of the study, for determining the expected family contribution.

(3) OBJECTIVES OF STUDY.—The objectives of the study required under paragraph (2) are—

(A) to shorten the FAFSA and make it easier and less time-consuming to complete, thereby increasing higher education access for low-income students;

(B) to examine the feasibility, and evaluate the costs and benefits, of using income data from the Internal Revenue Service to pre-populate the electronic version of the FAFSA;

(C) to determine ways in which to provide reliable information on the amount of Federal grant aid and financial assistance a student can expect to receive, assuming constant income, 2 to 3 years before the student's enrollment; and

(D) to simplify the process for determining eligibility for student financial aid without causing significant redistribution of Federal grants and subsidized loans under this title.

(4) REQUIRES SUBJECTS OF STUDY.—The study required under paragraph (2) shall consider—

(A) how the expected family contribution of a student could be calculated using substantially less income and asset information than the approach currently used, as of the time of the study, to calculate the expected family contribution without causing significant redistribution of Federal grants and subsidized loans under this title, State aid, or institutional aid, or change in the composition of the group of recipients of such aid, which alternative approaches for calculating the expected family contribution shall, to the extent practicable—

(i) rely mainly, in the case of students and parents who file income tax returns, on information available on the 1040, 1040EZ, and 1040A; and

(ii) include formulas for adjusting income or asset information to produce similar results to the existing approach with less data;

(B) how the Internal Revenue Service can provide income and other data needed to compute an expected family contribution for taxpayers and dependents of taxpayers to the

Secretary of Education, and when in the application cycle the data can be made available;

(C) whether data provided by the Internal Revenue could be used to—

(i) prepopulate the electronic version of the FAFSA with student and parent taxpayer data; or

(ii) generate an expected family contribution without additional action on the part of the student and taxpayer;

(D) the extent to which the use of income data from 2 years prior to a student's planned enrollment date would change the family contribution computed in accordance with part F, and potential adjustments to the need analysis formula that would minimize the change;

(E) the extent to which States and institutions would accept the data provided by the Internal Revenue Service to prepopulate the electronic version of the FAFSA in determining the distribution of State and institutional student financial aid funds;

(F) the changes to the electronic version of the FAFSA and verification processes that would be needed or could be made if Internal Revenue Service data were used to prepopulate such electronic version;

(G) the data elements currently collected, as of the time of the study, on the FAFSA that are needed to determine eligibility for student aid, or to administer Federal student financial aid programs, but are not needed to compute an expected family contribution, such as whether information regarding the student's citizenship or permanent residency status, registration for selective service, or driver's license number could be reduced without adverse effects;

(H) additional steps that can be taken to simplify the financial aid application process for students who (or, in the case of dependent students, whose parents) are not required to file an income tax return for the prior taxable year;

(I) information on the State need for and usage of the full array of income, asset, and other information currently collected, as of the time of the study, on the FAFSA, including analyses of—

(i) what data are currently used by States to determine eligibility for State student financial aid, and whether the data are used for merit or need-based aid;

(ii) the extent to which the full array of income and asset information currently collected on the FAFSA play an important role in the awarding of need-based State financial aid, and whether the State could use income and asset information that was more limited to support determinations of eligibility for such State aid programs;

(iii) whether data are required by State law, State regulations, or policy directives;

(iv) what State official has the authority to advise the Department on what the State requires to calculate need-based State student financial aid;

(v) the extent to which any State-specific information requirements could be met by completion of a State application linked to the electronic version of the FAFSA; and

(vi) whether the State can use, as of the time of the study, or could use, a student's expected family contribution based on data from 2 years prior to the student's planned enrollment date and a calculation with reduced data elements and, if not, what additional information would be needed or what changes would be required; and

(J) information on institutional needs, including the extent to which institutions of higher education are already using supplemental forms to collect additional data from students and their families to determine eligibility for institutional funds.

(5) USE OF DATA FROM THE INTERNAL REVENUE SERVICE TO PREPOPULATE FAFSA FORMS.—After the study required under this subsection has been completed, the Secretary may use Internal Revenue Service data to prepopulate the electronic version of the FAFSA if the Secretary, in a joint decision with the Secretary of Treasury, determines that such use will not significantly negatively impact students, institutions of higher education, States, or the Federal Government based on each of the following criteria:

(A) Program costs.

(B) Redistributive effects on students.

(C) Accuracy of aid determinations.

(D) Reduction of burden to the FAFSA filers.

(E) Whether all States and institutions that currently accept the Federal aid formula accept the use of data from 2 years prior to the date of a student's planned enrollment in an institution of higher education to award Federal, State, and institutional aid, and as a result will not require students to complete any additional forms to receive this aid.

(6) CONSULTATION.—The Secretary shall consult with the Advisory Committee on Student Financial Assistance established under section 491 as appropriate in carrying out this subsection.

(7) REPORT.—Not later than 18 months after the date of enactment of the Higher Education Amendments of 2007, the Comptroller General and the Secretary shall prepare and submit a report on the results of the study required under this subsection to the authorizing committees.

* * * * * * *

SEC. 484. [20 U.S.C. 1091] STUDENT ELIGIBILITY.

(a) IN GENERAL.— * * *

* * * * * * *

(d) STUDENTS WHO ARE NOT HIGH SCHOOL GRADUATES.— * * *

* * * * * * *

(3) * * *

(4) The student shall be determined by the institution of higher education as having the ability to benefit from the education

or training offered by the institution of higher education, upon satisfactory completion of 6 credit hours or the equivalent coursework that are applicable toward a degree or certificate offered by the institution of higher education.

* * * * * * *

(k) SPECIAL RULE FOR CORRESPONDENCE COURSES.— * * *

[(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) IN GENERAL.—* * *

(s) STUDENTS WITH INTELLECTUAL DISABILITIES—Notwithstanding subsection (a), in order to receive any grant or work assistance under subparts 1 and 3 of part A and part C of this title, a student with, an intellectual disability shall—

(1) be an individual with an intellectual disability whose mental retardation or other significant cognitive impairment substantially impacts the individual's intellectual and cognitive functioning;

(2)(A) be a student eligible for assistance under the Individuals with Disabilities Education Act who—

(i) has completed secondary school with a diploma or certificate; or

(ii) has completed secondary school; or

(B) be an individual who 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;

(3) be enrolled or accepted for enrollment in a comprehensive transition and postsecondary education program that—

(A) is designed for 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;

(B) includes an advising and curriculum structure;

(C) requires students to participate on at least a half-time basis, as determined by the institution; or

(D) includes—

(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);

(4) be maintaining satisfactory progress in the program as determined by the institution, in accordance with standards established by the institution; and

(5) meet the recquirements of paragraphs (3), (4), (5), and (6) of subsection (a).

* * * * * * *

SEC. 484A. [20 U.S.C. 1091a] STATUTE OF LIMITATIONS, AND STATE COURT JUDGMENTS.

(a) IN GENERAL.—(1) * * *

* * * * * * *

(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.

(c) STATE COURT JUDGMENTS.— * **

(d) SPECIAL RULE.—This section shall not apply in the case of a student who is deceased or to a deceased student's estate or the estate of such student's family. If a student is deceased, then the student's estate or the estate of the student's family shall not be required to repay any financial assistance under this title, including interest paid on the student's behalf, collection costs, or other charges specified in this title.

* * * * * * *

SEC. 484B. [20 U.S.C. 1091b] INSTITUTIONAL REFUNDS.

(a) RETURN OF TITLE IV FUNDS.—

(1) IN GENERAL.—* * *

* * * * * * *

(c) WITHDRAWAL DATE.—

(1) IN GENERAL.—* * *

* * * * * * *

(2) SPECIAL RULE.—Notwithstanding paragraph (1), if the institution determines that a student did not begin the withdrawal process, or otherwise notify the institution of the intent to withdraw, due to illness, accident, grievous personal loss, or other such circumstances beyond the student's control, the institution **[**may determine the appropriate withdrawal date.**]** *may determine—*

(A) the appropriate withdrawal date; and

(B) that the requirements of subsection (b)(2) do not apply to the student.

* * * * * * *

SEC. 485. [20 U.S.C. 1092] INSTITUTIONAL AND FINANCIAL ASSISTANCE INFORMATION FOR STUDENTS.

(a) INFORMATION DISSEMINATION ACTIVITIES.—

(1) * * *

(A) * * *

* * * * * * *

[(M) the terms and conditions under which students receiving guaranteed student loans under part B of this title or direct student loans under part E of this title, or both, may—

[(i) obtain deferral of the repayment of the principal and interest for service under the Peace Corps Act (as established by the Peace Corps Act (22 U.S.C. 2501) et seq.)) or under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.), or for comparable full-time service as a volunteer for a tax-exempt organization of demonstrated effectiveness in the field of community service, and

[(ii) obtain partial cancellation of the student loan for service under the Peace Corps Act (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)) under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.) or, for comparable full-time service as a volunteer for a tax-exempt organization of demonstrated effectiveness in the field of community service;]

(M) the terms and conditions of the loans that students receive under parts B, D, and E;

(N) that enrollment in a program of study abroad approved for credit by the home institution may be considered enrollment in the home institution for purposes of applying for Federal student financial assistance; [and]

(O) the campus crime report prepared by the institution pursuant to subsection (f), including all required reporting categories[.]*;*

(P) institutional policies and sanctions related to copyright infringement that inform students that unauthorized distribution of copyrighted material on the institution's information technology systems, including engaging in unauthorized peer-to-peer file sharing, may subject the students to civil and criminal, penalties;

(Q) student body diversity at the institution, including information on the percentage of enrolled, full-time students who are—

(i) male;

(ii) female;

(iii) from a low-income background; and

(iv) a self-identified member of a major racial or ethnic group;

(R) the placement in employment of, and types of employment obtained by, graduates of the institution's degree or certificate programs, gathered from such sources as alumni surveys, student satisfaction surveys, the National Survey of Student Engagement, the Community College Survey of Student Engagement, State data systems, or other relevant sources;

(S) the types of graduate and professional education in which graduates of the institution's 4-year degree programs

enrolled, gathered from such sources as alumni surveys, student satisfaction surveys, the National Survey of Student Engagement, State data systems, or other relevant sources; and

(T) the fire safety report prepared by the institution pursuant to subsection (i).

(2) * * *

* * * * * * *

[(4) For purposes of this section, institutions may exclude from the information disclosed in accordance with subparagraph (L) of paragraph (1) the completion or graduation rates of students who leave school to serve in the armed services, on official church missions, or with a recognized foreign aid service of the Federal Government.]

(4) For purposes of this section, institutions may—

(A) exclude from the information disclosed in accordance with subparagraph (L) of paragraph (1) the completion or graduation rates of students who leave school to serve in the Armed Forces, on official church missions, or with a recognized foreign aid service of the Federal Government; or

(B) in cases where the students described in subparagraph (A) represent 20 percent or more of the certificate- or degree-seeking, full-time, undergraduate students at the institution, the institution may recalculate the completion or graduation rates of such students by excluding from the calculation described in paragraph (3) the time period such students were not enrolled due to their service in the Armed Forces, on official church missions, or with a recognized foreign aid service of the Federal Government.

* * * * * * *

(6) * * *

(7) The information disclosed under subparagraph (L) of paragraph (1), or reported under subsection (e), shall include information disaggregated by gender, by each major racial and ethnic subgroup, by recipients of a Federal Pell Grant, by recipients of a loan made under this part or part D (other than a loan made under section 428H or a Federal Direct Unsubsidized Stafford Loan) who did not receive a Federal Pell Grant, and by recipients of neither a Federal Pell Grant nor a loan made under this part or part D (other than a loan made under section 428H or a Federal Direct Unsubsidized Stafford Loan), if the number of students in such subgroup or with such status is sufficient to yield statistically reliable information and reporting would not reveal personally identifiable information about an individual student. If such number is not sufficient for such purposes, then the institution shall note that the institution enrolled too few of such students to so disclose or report with confidence and confidentiality.

(b) ENTRANCE COUNSELING FOR BORROWERS.—

(1) DISCLOSURE REQUIRED PRIOR TO DISBURSEMENT.—

(A) IN GENERAL.—Each eligible institution shall, at or prior to the time of a disbursement to a first-time student borrower of a loan made, insured, or guaranteed under

part B or D, ensure that the borrower receives comprehensive information on the terms and conditions of the loan and the responsibilities the borrower has with respect to such loan. Such information shall be provided in simple and understandable terms and may be provided—

(i) during an entrance counseling session conducted in person;

(ii) on a separate written form provided to the borrower that the borrower signs and returns to the institution; or

(iii) online, with the borrower acknowledging receipt and understanding of the information.

(B) USE OF INTERACTIVE PROGRAMS.—The Secretary shall encourage institutions to carry out the requirements of subparagraph (A) through the use of interactive programs that test the borrowers' understanding of the terms and conditions of the borrowers' loans under part B or D, using comprehensible language and displays with clear formatting.

(2) INFORMATION TO BE PROVIDED.—The information provided to the borrower under paragraph (1)(A) shall include—

(A) an explanation of the use of the Master Promissory Note;

(B) in the case of a loan made under section 428B or 428H, a Federal Direct PLUS Loan, or a Federal Direct Unsubsidized Stafford Loan—

(i) the ability of the borrower to pay the interest while the borrower is in school; and

(ii) how often interest is capitalized;

(C) the definition of half-time enrollment at the institution, during regular terms and summer school, if applicable, and the consequences of not maintaining half-time enrollment;

(D) an explanation of the importance of contacting the appropriate institutional offices if the borrower withdraws prior to completing the borrower's program of study so that the institution can provide exit counseling, including information regarding the borrower's repayment options and loan consolidation;

(E) the obligation of the borrower to repay the full amount of the loan even if the borrower does not complete the program in which the borrower is enrolled;

(F) information on the National Student Loan Data System and how the borrower can access the borrower's records; and

(G) the name of an individual the borrower may contact if the borrower has any questions about the borrower's rights and responsibilities or the terms and conditions of the loan.

[(b)**]** *(c)* EXIT COUNSELING FOR BORROWERS.—(1) **[**(A) Each eligible institution 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 the completion of the course of study for which the borrower enrolled at the institution or at the time of departure

from such institution. The counseling required by this subsection shall include—

[(i) the average anticipated monthly repayments, a review of the repayment options available, and such debt and management strategies as the institution determines are designed to facilitate the repayment of such indebtedness; and

[(ii) the terms and conditions under which the student may obtain partial cancellation or defer repayment of the principal and interest pursuant to sections 428(b), 464(c)(2), and 465.

(A) Each eligible institution shall, through financial aid offices or otherwise, provide counseling to borrowers of loans that are made, insured, or guaranteed under part B (other than loans made pursuant to section 428C or loans made to parents pursuant to section 428B), or made under part D (other than Federal Direct Consolidation Loans or Federal Direct PLUS Loans made to parents) or E, prior to the completion of the course of study for which the borrower enrolled at the institution or at the time of departure from such institution. The counseling required by this subsection shall include—

(i) information on the repayment plans available, including a discussion of the different features of each plan and sample information showing the difference in interest paid and total payments under each plan;

(ii) the average anticipated monthly repayments under the standard repayment plan and, at the borrower's request, the other repayment plans for which the borrower is eligible;

(iii) such debt and management strategies as the institution determines are designed to facilitate the repayment of such indebtedness;

(iv) an explanation that the borrower has the ability to prepay each such loan, pay the loan on a shorter schedule, and change repayment plans;

(v) the terms and conditions under which the student may obtain full or partial forgiveness or cancellation of principal or interest under sections 428J, 460, and 465 (to the extent that such sections are applicable to the student's loans);

(vi) the terms and conditions under which the student may defer repayment of principal or interest or be granted forbearance under subsections (b)(1)(M) and (o) of section 428, 428H(e)(7), subsections (f) and (l) of section 455, and section 464(c)(2), and the potential impact of such deferment or forbearance;

(vii) the consequences of default on such loans;

(viii) information on the effects of using a consolidation loan to discharge the borrower's loans under parts B, D, and E, including, at a minimum—

(I) the effects of consolidation on total interest to be paid, fees to be paid, and length of repayment;

(II) the effects of consolidation on a borrower's underlying loan benefits, including all grace periods, loan forgiveness, cancellation, and deferment opportunities;

(III) the ability of the borrower to prepay the loan or change repayment plans; and

(IV) that borrower benefit programs may vary among different loan holders; and

(ix) a notice to borrowers about the availability of the National Student Loan Data System and how the system can be used by a borrower to obtain information on the status of the borrower's loans.

(2)(A) * * *

* * * * * * *

(3) Each eligible institution shall, during the exit interview required by this subsection, provide to a borrower of a loan made under part B, D, or E a clear and conspicuous notice describing the general effects of using a consolidation loan to discharge the borrower's student loans, including—

(A) the effects of consolidation on total interest to be paid, fees to be paid, and length of repayment;

(B) the effects of consolidation on a borrower's underlying loan benefits, including loan forgiveness, cancellation, and deferment;

(C) the ability for the borrower to prepay the loan, pay on a shorter schedule, and to change repayment plans, and that borrower benefit programs may vary among different loan holders;

(D) a general description of the types of tax benefits which may be available to borrowers of student loans; and

(E) the consequences of default.

[(c)]*(d)* FINANCIAL ASSISTANCE INFORMATION PERSONNEL.—* * *

[(d)]*(e)* DEPARTMENTAL PUBLICATION OF DESCRIPTIONS OF ASSISTANCE PROGRAMS.—* * *

(1) * * *

(2) The Secretary, to the extent the information is available, shall compile information describing State *grant assistance, as well as State* and other prepaid tuition programs and savings programs and disseminate such information to States, eligible institutions, students, and parents in departmental publications *and other means, including through the Internet*.

* * * * * * *

[(e)]*(f)* DISCLOSURES REQUIRED WITH RESPECT TO ATHLETICALLY RELATED STUDENT AID.—

(1) * * *

* * * * * * *

[(3) For purposes of this subsection, institutions may exclude from the reporting requirements under paragraphs (1) and (2) the completion or graduation rates of students and student athletes who leave school to serve in the armed services, on official church missions, or with a recognized foreign aid service of the Federal Government.]

(3) For purposes of this subsection, institutions may—

(A) exclude from the reporting requirements under paragraphs (1) and (2) the completion or graduation rates of students and student athletes who leave school to serve in the Armed Forces, on official church missions, or with. a recognized foreign aid service of the Federal Government; or

(B) in cases where the students described in subparagraph (A) represent 20 percent or more of the certificate- or degree-seeking, fulltime, undergraduate students at the in-

stitution, the institution may calculate the completion or graduation rates of such students by excluding from the calculations described in paragraph (1) the time period such students were not enrolled due to their service in the Armed Forces, on official church missions, or with a recognized foreign aid service of the Federal Government.

* * * * * * *

[(f)**]***(g)* 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) * * *

* * * * * * *

(I) * * *

(J) A statement of current campus policies regarding immediate emergency response and evacuation procedures, including the use of electronic and cellular communication (if appropriate), which policies shall include procedures—

(i) to notify the campus community in a reasonable and timely manner 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;

(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;

* * * * * * *

(14)(A) Nothing in this subsection may be construed to—

(i) * * *

* * * * * * *

(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.

[(15)] (17) This subsection may be cited as the "Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act".

[(g)] (h) DATA REQUIRED.—

(1) IN GENERAL.—

* * * * * * *

*(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) 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 institution's transfer of credit policies which shall include a statement of the institution's current transfer of credit policies that includes, at a minimum—

(A) a statement of whether the institution denies a transfer of credit solely on the basis of the agency or association that accredited such other 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 Accreditation and Institutional Quality and Integrity Advisory Committee 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.

(j) 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 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; and

(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.

* * * * * * *

SEC. 485B. [20 U.S.C. 1092b] NATIONAL STUDENT LOAN DATA SYSTEM.

(a) DEVELOPMENT OF THE SYSTEM.—* * *

(1) * * *

* * * * * * *

(5) the exact amount of loans partially or totally canceled or in deferment for service under the Peace Corps Act (22 U.S.C. 2501 et seq.)), for service under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.), and for comparable full-time service as a volunteer for a tax-exempt organization of demonstrated **[**effectiveness.**]** *effectiveness;*

[(5)**]** *(6)* the eligible institution in which the student was enrolled or accepted for enrollment at the time the loan was made, and any additional institutions attended by the borrower;

[(6)**]** *(7)* * * *

[(7)**]** *(8)* * * *

[(8)**]** *(9)* * * *

[(9)**]** *(10)* * * *

[(10)**]** *(11)* * * *

(b) * * *

* * * * * * *

(c) VERIFICATION.—* * *

(d) PRINCPLES FOR ADMINISTERING THE DATA SYSTEM.—In managing the National Student Loan Data System, the Secretary shall

take actions necessary to maintain confidence in the data system, including, at a minimum—

(1) ensuring that the primary purpose of access to the data system by guaranty agencies, eligible lenders, and eligible institutions of higher education is for legitimate program operations, such, as the need to verify the eligibility of a student, potential student, or parent for loans under part B, D, or E;

(2) prohibiting nongovernmental researchers and policy analysts from accessing personally identifiable information;

(3) creating a disclosure form for students and potential students that is distributed when such, students complete the common financial reporting form under section 483, and as a part of the exit counseling process under section 485(b), that

(A) informs the students that any title IV grant or loan the students receive will be included in the National Student Loan Data System, and instructs the students on how to access that information;

(B) describes the categories of individuals or entities that may access the data relating to such grant or loan through the data system, and for what purposes access is allowed;

(C) defines and explains the categories of information included in the data system;

(D) provides a summary of the provisions of the Family Educational Rights and Privacy Act of 1974 and other applicable Federal privacy statutes, and a statement of the students' rights and responsibilities with respect to such, statutes;

(E) explains the measures taken by the Department to safeguard the students' data; and

(F) includes other information as determined appropriate by the Secretary;

(4) requiring guaranty agencies, eligible lenders, and eligible institutions of higher education that enter into an agreement with a potential student, student, or parent of such student regarding a loan under part B, D, or E, to inform the student or parent that such loan shall be—

(A) submitted to the data system; and

(B) accessible to guaranty agencies, eligible lenders, and eligible institutions of higher education determined by the Secretary to be authorized users of the data system;

(5) regularly reviewing the data system to—

(A) delete inactive users from the data system;

(B) ensure that the data in the data system are not being used for marketing purposes; and

(C) monitor the use of the data system by guaranty agencies and eligible lenders to determine whether an agency or lender is accessing the records of students in which the agency or lender has no existing financial interest; and

(6) developing standardized protocols for limiting access to the data system that include—

(A) collecting data on the usage of the data system to monitor whether access has been or is being used contrary to the purposes of the data system;

(B) defining the steps necessary for determining whether, and how, to deny or restrict access to the data system; and

(C) determining the steps necessary to reopen access to the data system following a denial or restriction of access.

[(d) REPORT TO CONGRESS.—The Secretary shall prepare and submit to the appropriate committees of the Congress, in each fiscal year, a report describing the results obtained by the establishment and operation of the student loan data system authorized by this section.]

(e) REPORTS TO CONGRESS.—

(1) ANNUAL REPORT.—Not later than September 30 of each fiscal year, the Secretary shall prepare and submit to the appropriate committees of Congress a report describing—

(A) the results obtained by the establishment and operation of the National Student Loan Data System authorized by this section;

(B) the effectiveness of existing privacy safeguards in protecting student and parent information in the data system;

(C) the success of any new authorization protocols in more effectively preventing abuse of the data system;

(D) the ability of the Secretary to monitor how the system is being used, relative to the intended purposes of the data system; and

(E) any protocols developed under subsection (d)(6) during the preceding fiscal year.

(2) STUDY.—

(A) IN GENERAL.—The Secretary shall conduct a study regarding—

(i) available mechanisms for providing students and parents with the ability to opt in or opt out of allowing eligible lenders to access their records in the National Student Loan Data System; and

(ii) appropriate protocols for limiting access to the data system, based on the risk assessment required under subchapter III of chapter 35 of title 44, United States Code.

(B) SUBMISSION OF STUDY.—Not later than 3 years after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall prepare and submit a report on the findings of the study to the appropriate committees of Congress.

[(e)]*(f)* STANDARDIZATION OF DATA REPORTING.—

(1) IN GENERAL.— * * *

* * * * * * *

[(f)] *(g)* COMMON IDENTIFIERS.— * * *

* * * * * * *

[(g)] *(h)* INTEGRATION OF DATABASES.— * * *

* * * * * * *

SEC. 485D. [20 U.S.C. 1092e] COLLEGE ACCESS INITIATIVE.

*(a) STATE-BY-STATE INFORMATION.— * * **

* * * * * * *

SEC. 485E. EARLY AWARENESS OF FINANCIAL AID ELIGIBILITY.

(a) IN GENERAL.—The Secretary shall implement, in cooperation with States, institutions of higher education, secondary schools,

middle schools, early intervention and outreach programs under this title, other agencies and organizations involved in student financial assistance and college access, public libraries, community centers, employers, and businesses, a comprehensive system of early financial aid information in order to provide students and families with early information about financial aid and early estimates of such students' eligibility for financial aid from multiple sources. Such system shall include the activities described in subsections (b) and (c).

(b) COMMUNICATION OF AVAILABILITY OF AID AND AID ELIGIBILITY.—

(1) STUDENTS WHO RECEIVE BENEFITS.—The Secretary shall—

(A) make special efforts to notify students, who receive or are eligible to receive benefits under a Federal means-tested benefit program (including the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.)) or another such benefit program as determined by the Secretary, of such students' potential eligibility for a maximum Federal Pell Grant under subpart 1 of part A; and

(B) disseminate such informational materials as the Secretary determines necessary.

(2) MIDDLE SCHOOL STUDENTS.—The Secretary, in cooperation with States, institutions of higher education, other organizations involved in college access and student financial aid, middle schools, and programs under this title that serve middle school students, shall make special efforts to notify students and their parents of the availability of financial aid under this title and, in accordance with subsection (c), shall provide nonbinding estimates of grant and loan aid that an individual may be eligible for under this title upon completion of an application form under section 483(a). The Secretary shall ensure that such information is as accurate as possible and that such information is as accurate as possible and that such information is provided in an age-appropriate format using dissemination mechanisms suitable for students in middle school.

(3) SECONDARY SCHOOL STUDENTS.—The Secretary, in cooperation with States, institutions of higher education, other organizations involved in college access and student financial aid, secondary schools, and programs under this title that serve secondary school students, shall make special efforts to notify students in secondary school and their parents, as early as possible but not later than such students' junior year of secondary school, of the availability of financial aid under this title and, in accordance with subsection (c), shall provide nonbinding estimates of the amounts of grant and loan aid that an individual may be eligible for under this title upon completion of an application form under section 483(a). The Secretary shall ensure that such information is as accurate as possible and that such information is provided in an age-appropriate format using dissemination mechanisms suitable for students in secondary school.

(4) ADULT LEARNERS.—The Secretary, in cooperation with States, institutions of higher education, other organizations involved in college access and student financial aid, employers, workforce investment boards and public libraries, shall make

special efforts to provide individuals who would qualify as independent students, as defined in section 480(d), with information regarding the availability of financial aid under this title and, in accordance with subsection (c), with nonbinding estimates of the amounts of grant and loan aid that an individual may be eligible for under this title upon completion of an application form under section 483(a). The Secretary shall ensure that such information—

(A) is as accurate as possible;

(B) includes specific information regarding the availability of financial aid for students qualified as independent students, as defined in section 480(d); and

(C) uses dissemination mechanisms suitable for adult learners.

(5) PUBLIC AWARENESS CAMPAIGN.—Not later than 2 years after the date of enactment of the Higher Education Amendments of 2007, the Secretary, in coordination with States, institutions of higher education, early intervention and outreach programs under this title, other agencies and organizations involved in student financial aid, local educational agencies, public libraries, community centers, businesses, employers, employment services, workforce investment boards, and movie theaters, shall implement a public awareness campaign in order to increase national awareness regarding the availability of financial aid under this title. The public awareness campaign shall disseminate accurate information regarding the availability of financial aid under this title and shall be implemented, to the extent practicable, using a variety of media, including print, television, radio and the Internet. The Secretary shall design and implement the public awareness campaign based upon relevant independent research and the information and dissemination strategies found most effective in implementing paragraphs (1) through (4).

(c) AVAILABILITY OF NONBINDING ESTIMATES OF FEDERAL FINANCIAL AID ELIGIBILITY.—

(1) IN GENERAL.—The Secretary, in cooperation with States, institutions of higher education, and other agencies and organizations involved in student financial aid, shall provide, via a printed form and the Internet or other electronic means, the capability for individuals to determine easily, by entering relevant data, nonbinding estimates of amounts of grant and loan aid an individual may be eligible for under this title upon completion and processing of an application and enrollment in an institution of higher education.

(2) DATA ELEMENTS.—The Secretary, in cooperation with States, institutions of higher education, and other agencies and organizations involved in student financial aid, shall determine the data elements that are necessary to create a simplified form that individuals can use to obtain easily nonbinding estimates of the amounts of grant and loan aid an individual may be eligible for under this title.

(3) QUALIFICATION TO USE SIMPLIFIED APPLICATION.—The capability provided under this paragraph shall include the capability to determine whether the individual is eligible to submit

a simplified application form under paragraph (2)(B) or (3)(B) of section 483(a).

* * * * * * *

SEC. 486. [20 U.S.C. 1093] DISTANCE EDUCATION DEMONSTRATION PROGRAMS.

(a) PURPOSE.—* * *

* * * * * * *

(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 sonsortium and a description of the distance education courses to be offered.

(f) EVALUATIONS AND REPORTS.—

(1) EVALUATION.—* * *

* * * * * * *

(3) REPORTS.—

(A) IN GENERAL.—Within 18 months of the initiation of 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—

* * * * * * *

(B) ADDITIONAL REPORTS.—The Secretary shall provide additional reports on 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—*

* * * * * * *

SEC. 487. [20 U.S.C. 1094] PROGRAM PARTICIPATION AGREEMENTS.

(a) REQUIRED FOR PROGRAMS OF ASSISTANCE; CONTENTS.—* * *

(1) * * *

* * * * * * *

(20) * * *

(21) CODE OF CONDUCT.—

(A) IN GENERAL.—The institution will establish, follow, and enforce a code of conduct regarding student loans that includes not less than the following:

(i) REVENUE SHARING PROHIBITION.—The institution is prohibited from receiving anything of value from any lender in exchange for any advantage sought by the lender to make educational loans to a student enrolled, or who is expected to be enrolled, at the institution, except that an institution shall not be prohibited from receiving a philanthropic contribution from a lender if

the contribution is not made in exchange for any such advantage.

(ii) GIFT AND TRIP PROHIBITION.—Any employee who is employed in the financial aid office of the institution, or who otherwise has responsibilities with respect to educational loans or other financial aid of the institution, is prohibited from taking from any lender any gift or trip worth more than nominal value, except for reasonable expenses for professional development that will improve the efficiency and effectiveness of programs under this title and for domestic travel to such professional development.

(iii) CONTRACTING ARRANGEMENTS.—Any employee who is employed in the financial aid office of the institution, or who otherwise has responsibilities with respect to educational loans or other financial aid of the institution, shall be prohibited from entering into any type of consulting arrangement or other contract to provide services to a lender.

(iv) ADVISORY BOARD COMPENSATION.—Any employee who is employed in the financial aid office of the institution, or who otherwise has responsibilities with respect to educational loans or other student financial aid of the institution, and who serves on an advisory board, commission, or group established by a lender or group of lenders shall be prohibited from receiving anything of value from the lender or group of lenders, except that the employee may be reimbursed for reasonable expenses incurred in serving on such advisory board, commission or group.

(v) INTERACTION WITH BORROWERS.—The institution will not—

(I) for any first-time borrower, assign, through award packaging or other methods, the borrower's loan to a particular lender; and

(II) refuse to certify, or, delay certification of; any loan in accordance with paragraph (6) based on the borrower's selection of a particular lender or guaranty agency.

(B) DESIGNATION.—The institution will designate an individual who shall be responsible for signing an annual attestation on behalf of the institution that the institution agrees to, and is in compliance with, the requirements of the code of conduct described in this paragraph. Such individual shall be the chief executive officer; chief operating officer; chief financial officer, or comparable official, of the institution, and shall annually submit the signed attestation to the Secretary.

(C) AVAILABILITY.—The institution will make the code of conduct widely available to the institution's faculty members, students, and parents through a variety of means, including the institution's website.

[(21)](*22*)* * *

[(22)](*23*)* * *

[(23)]*(24)*(A)* * *

* * * * * * *

(C) * * *

(D) In the case of a proprietary institution of higher education as defined in section 102(b), the institution shall be considered in compliance with the requirements of subparagraph (A) for any student to whom the institution electronically transmits a message containing a voter registration form acceptable for use in the State in which the institution is located, or an Internet address where such a form can be downloaded, if such information is in an electronic message devoted solely to voter registration.

(25) In the case of a proprietary institution of higher education as defined in section 102(b), the institution will, as calculated in accordance with subsection (h)(1), 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 (h)(2).

(26) PREFERRED LENDER LISTS.

(A) IN GENERAL.—In the case of an institution (including an employee or agent of an institution) that maintains a preferred lender list, in print or any other medium, through which the institution recommends one or more specific lenders for loans made under part B to the students attending the institution (or the parents of such students), the institution will—

(i) clearly and fully disclose on the preferred lender list—

(I) why the institution has included each lender as a preferred lender, especially with respect to terms and conditions favorable to the borrower; and

(II) that the students attending the institution (or the parents of such, students) do not have to borrow from a lender on the preferred lender list;

(ii) ensure, through the use of the list provided by the Secretary under subparagraph (C), that—

(I) there are not less than 3 lenders named on the preferred lending list that are not affiliates of each other; and

(II) the preferred lender list—

(aa) specifically indicates, for each lender on the list, whether the lender is or is not an affiliate of each other lender on the list; and

(bb) if the lender is an affiliate of another lender on the list, describes the specifics of such affiliation; and

(iii) establish a process to ensure that lenders are placed upon the preferred lender list on the basis of the benefits provided to borrowers, including—

(I) highly competitive interest rates, teens, or conditions for loans made under part B;

(II) high-quality customer service for such loans; or

(III) additional benefits beyond the standard terms and conditions for such loans.

(B) DEFINITION OF AFFILIATE; CONTROL.—

(i) DEFINITION OF AFFILIATE.—For the purposes of subparagraph (A)(ii) the term "affiliate" means a person that controls, is controlled by, or is under common control with, another person.

(ii) CONTROL.—For purposes of subparagraph (A)(ii), a person has control over 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.

(C) LIST OF LENDER AFFILIATES.—The Secretary, in consultation with the director of the Federal Deposit Insurance corporation, shall maintain and update a list of lender affiliates of all eligible lenders, and shall provide such list to the eligible institutions for use in carrying out subparagraph (A).

* * * * * * *

(c) AUDITS; FINANCIAL RESPONSIBILITY; ENFORCEMENT OF STANDARDS.—(1) Notwithstanding any other provisions of this title, the Secretary shall prescribe such regulations as may be necessary to provide for—

(A)(i) except as provided in clauses (ii) and (iii), a financial audit of an eligible institution with regard to the financial condition of the institution in its entirety, and a compliance audit of such institution with regard to any funds obtained by it under this title or obtained from a student or a parent who has a loan insured or guaranteed by the Secretary under this title, on at least an annual basis and covering the period since the most recent audit, conducted by a qualified, independent organization or person in accordance with standards established by the Comptroller General for the audit of governmental organizations, programs, and functions, and as prescribed in regulations of the Secretary, the results of which shall be submitted to the Secretary and shall be available to cognizant guaranty agencies, eligible lenders, State agencies, and the appropriate State agency notifying the Secretary under subpart 1 of part H*, except that the Secretary may modify the requirements of this clause with regard to an institution outside the United States*;

* * * * * * *

(d) INSTITUTIONAL REQUIREMENTS FOR TEACH-OUTS.—

(1) IN GENERAL.—In the event the Secretary initiates the limitation, suspension, or termination of the participation of an institution of higher education in any program under this title under the authority of subsection (c)(1)(F) or initiates an emergency action under the authority of subsection (c)(1)(G) and its

prescribed regulations, the Secretary shall require that institution to prepare a teach-out plan for submission to the institution's accrediting agency or association in compliance with section 496(c)(4), the Secretary's regulations on teach-out plans, and the standards of the institution's accrediting agency or association.

(2) TEACH-OUT PLAN DEFINED.—In this subsection, the term "teach-out plan" means a written plan that provides for the equitable treatment of students if an institution of higher education ceases to operate before all students have completed their program of study, and may include, if required by the institution's accrediting agency or association, an agreement between institutions for such a teach-out plan.

(e) VIOLATION OF CODE OF CONDUCT REGARDING STUDENT LOANS.—

(1) IN GENERAL.—Upon a finding by the Secretary, after reasonable notice and an opportunity for a hearing, that an institution of higher education that has entered into a program participation agreement with the Secretary under subsection (a) willfully contravened the institution's attestation of compliance with the provisions of subsection (a)(21), the Secretary may impose a penalty described in paragraph (2).

(2) PENALTIES.—A violation of paragraph (1) shall result in the limitation, suspension, or termination of the eligibility of the institution for the loan programs under this title.

[(d)]*(f)* DEFINITION OF ELIGIBLE INSTITUTION.—

[(e)]*(g)* CONSTRUCTION.—* * *

(h) IMPLEMENTATION OF NONTITLE IV REVENUE REQUIREMENT.

(1) CALCULATION. In carrying out subsection (a)(27), a proprietary institution of higher education (as defined in section 102(b)) shall use the cash basis of accounting and count the following funds as from sources of funds other than funds provided under this title:

(A) Funds used by students from sources other than funds received under this title to pay tuition, fees, and other institutional charges to the institution, provided the institution can reasonably demonstrate that such funds were used for such purposes.

(B) Funds used by the institution to satisfy matching fund requirements for programs under this title.

(C) 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.

(D) Funds paid by a student, or on behalf of a student by a party other than the institution, to 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 or an accrediting agency recognized by the Secretary.

(E) Funds generated by the institution from institutional activities that are necessary for the education and training of the institution's students, if such activities are—

(i) conducted on campus or at a facility under the control of the institution;

(ii) performed under the supervision of a member of the institution's faculty; and

(iii) required to be performed by all students in a specific educational program at the institution.

(F) Institutional aid, as follows:

(i) In the case of loans made by the institution, only the amount of loan repayments received by the institution during the fiscal year for which the determination is made.

(ii) In the case of scholarships provided by the institution, only those scholarship funds provided by the institution that are—

(I) in the form of monetary aid based upon the academic achievements or financial need of students; and

(II) disbursed during the fiscal year for which the determination is made from an established restricted account and only to the extent that the funds in that account represent designated funds from an outside source or income earned on those funds.

(iii) In the case of tuition discounts, only those tuition discounts based upon the academic achievement or financial need of students.

(2) SANCTIONS.—

(A) FAILURE TO MEET REQUIREMENT FOR 1 YEAR.—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 year, the Secretary may impose 1 or both of the following sanctions on the institution:

(i) Place 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) Require 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).

(B) FAILURE TO MEET REQUIREMENT FOR 2 YEARS.—An institution that fails to meet the requirements of subsection (a)(27) for 2 consecutive years shall be ineligible to participate in the programs authorized under this title until the institution demonstrates, to the satisfaction of the Secretary, that it is in compliance with subsection (a)(27).

(3) PUBLIC AVAILABILITY OF INFORMATION.—The Secretary shall make publicly available, through the means described in subsection (b) of section 131, any institution that fails to meet the requirements of subsection (a)(27) in any year as an institution that is failing to meet the minimum non-Federal source of revenue requirements of such subsection (a)(27).

* * * * * * *

SEC. 487A. [20 U.S.C. 1094a] REGULATORY RELIEF AND IMPROVEMENT.

(a) QUALITY ASSURANCE PROGRAM.—

(1) IN GENERAL.—* * *

* * * * * * *

(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]*2007*. 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]*2008*.

[(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) * * *

* * * * * * *

(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 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. 488. [20 U.S.C. 1095] TRANSFER OF ALLOTMENTS.

In order to offer an arrangement of types of aid including institutional and State aid which best fits the needs of each individual student, an institution may (1) transfer a total of 25 percent of the institution's allotment under section 462 to the institution's allotment under section 413D or 442 (or both); [and] (2) transfer 25 percent of the institution's allotment under section 442 to the institution's allotment under section [413D.] *413D; and (3) transfer 25 percent of the institution's allotment under section 413D to the institution's allotment under section 442.* Funds transferred to an institution's allotment under another section may be used as a part of and for the same purposes as funds allotted under that section. The Secretary shall have no control over such transfer, except as specifically authorized, except for the collection and dissemination of information.

* * * * * * *

SEC. 489. [20 U.S.C. 1096] ADMINISTRATIVE EXPENSES.

(a) AMOUNT OF PAYMENTS.—* * *

(b) PURPOSE OF PAYMENTS.—

(1) The sums paid to institutions under this part are for the sole purpose of [offsetting the administrative costs of] *administering* the programs described in subsection (a).

(2) * * *

* * * * * * *

SEC. 491. [20 U.S.C. 1098] ADVISORY COMMITTEE ON STUDENT FINANCIAL ASSISTANCE.

(a) ESTABLISHMENT AND PURPOSE.—

(1) * * *

(2) * * *

(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 to make recommendations that will result in early awareness by low- and moderate-income students and families—

(i) of their eligibility for assistance under this title; and

(ii) to the extent practicable, of 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 of higher education, and private entities to increase the awareness and the total amount of need-based student assistance available to low- and moderate-income students.

(b) * * *

(c) MEMBERSHIP.—

(1) The Advisory Committee shall have 11 members of which—

(A) * * *

* * * * * * *

(2) * * *

(3) The appointment of a member under subparagraph (A) or (B) of paragraph (1) shall be effective upon confirmation of the member by the Senate and publication of such appointment in the Congressional Record.

(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 me**[**, but nothing in this section shall authorize the committee to perform such studies, surveys, or analyses**]**;

* * * * * * *

(j) SPECIAL ANALYSES AND ACTIVITIES.—The Advisory Committee shall—

(1) monitor and evaluate the modernization *and simplification* of student financial aid systems and delivery processes, **[**including the implementation of a performance-based organi-

zation within the Department,] and report to Congress regarding such modernization *and simplification* on not less than an annual basis, 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) 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.]

(4) conduct a review and analysis of regulations in accordance with subsection (l); and

(5) conduct a study in accordance with subsection (m).

(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] *2013*.

(l) REVIEW AND ANALYSIS OF REGULATIONS.—

(1) RECOMMENDATIONS.—The Advisory Committee shall make recommendations to the Secretary and Congress for consideration of future legislative action regarding redundant or outdated regulations under this title, consistent with the Secretary's requirements under section 498B.

(2) REVIEW AND ANALYSIS OF REGULATIONS.—The Advisory Committee shall conduct a review and analysis of the regulations issued under this title that are in effect at the time of the review and that apply to the operations or activities of participants in the programs assisted under this title. The review and analysis may include a determination of whether the regulation is duplicative, is no longer necessary, is inconsistent with other Federal requirements, or is overly burdensome. In conducting the review, the Advisory Committee shall pay specific attention to evaluating ways in which regulations under this title affecting institutions of higher education (other than institutions described in section 102(a)(1)(C)), that have received in each of the 2 most recent award years prior to the date of enactment of the Higher Education Amendments of 2007 less $200,000 in funds through this title, may be improved, streamlined, or eliminated.

(3) CONSULTATION.—

(A) IN GENERAL.—In carrying out the review and analysis under paragraph (2), the Advisory Committee shall consult with the Secretary, relevant representatives of institutions of higher education, and individuals who have expertise and experience with the regulations issued under this title, in accordance with subparagraph (B).

(B) REVIEW PANELS.—The Advisory Committee shall convene not less than 2 review panels of representatives of the groups involved in student financial assistance programs under this title who have experience and expertise in the regulations issued under this title to review the regulations under this title, and to provide recommendations to the Ad-

visory Committee with respect to the review and analysis under paragraph (2). The panels shall be made up of experts in areas such as the operations of the financial assistance programs, the institutional eligibility requirements for the financial assistance programs, regulations not directly related to the operations or the institutional eligibility requirements of the financial assistance programs, and regulations for dissemination of information to students about the financial assist programs.

(4) REPORTS TO CONGRESS.—The Advisory Committee shall submit, not later than 2 years after the completion of the negotiated rulemaking process required under section 492 resulting from the amendments to this Act made by the Higher Education Amendments of 2007, a report to the authorizing committees and the Secretary detailing the expert panels' findings and recommendations with respect to the review and analysis under paragraph (2).

(5) ADDITIONAL SUPPORT.—The Secretary and the Inspector General of the Department shall provide such assistance and resources to the Advisory Committee as the Secretary and Inspector General determine are necessary to conduct the review required by this subsection.

(m) STUDY OF INNOVATIVE PATHWAYS TO BACCALAUREATE DEGREE ATTAINMENT.—

(1) STUDY REQUIRED.—The Advisory Committee shall conduct a study of the feasibility of increasing baccalaureate degree attainment rates by reducing the costs and financial barriers to attaining a baccalaureate degree through innovative programs.

(2) SCOPE OF STUDY.—The Advisory Committee shall examine new and existing programs that promote baccalaureate degree attainment through innovative ways, such as dual or concurrent enrollment programs, changes made to the Federal Pell Grant program, simplification of the needs analysis process, compressed or modular scheduling, articulation agreements, and programs that allow 2-year institutions of higher education to offer baccalaureate degrees.

(3) REQUIRED ASPECTS OF THE STUDY.—In performing the study described in this subsection, the Advisory Committee shall examine the following aspects of such innovative programs:

(A) The impact of such programs on baccalaureate attainment rates.

(B) The degree to which a student's total cost of attaining a baccalaureate degree can be reduced by such programs.

(C) The ways in which low- and moderate-income students can be specifically targeted by such programs.

(D) The ways in which nontraditional students can be specifically targeted by such programs.

(E) The cost-effectiveness for the Federal Government, States, and institutions of higher education to implement such programs.

(4) CONSULTATION.—

(A) IN GENERAL.—In performing the study described in this subsection the Advisory Committee shall consult with a broad range of interested parties in higher education, in-

cluding parents, students, appropriate representatives of secondary schools and institutions of higher education, appropriate State administrators, administrators of dual or concurrent enrollment programs, and appropriate Department officials.

(B) CONGRESSIONAL CONSULTATION.—The Advisory Committee shall consult on a regular basis with the authorizing committees in carrying out the study required by this section.

(5) REPORTS TO CONGRESS.—

(A) INTERIM REPORT.—The Advisory Committee shall prepare and submit to the authorizing committees and the Secretary an interim report, not later than 1 year after the date of enactment of the Higher Education Amendments of 2007, describing the progress that has been made in conducting the study required by this subsection and any preliminary findings on the topics identified under paragraph (2).

(B) FINAL REPORT.—The Advisory Committee shall, not later than 3 years after the date of enactment of the Higher Education Amendments of 2007, prepare and submit to the authorizing committees and the Secretary a final report on the study, including recommendations for legislative, regulatory, and administrative changes based on findings related to the topics identified under paragraph (2).

SEC. 492. [20 U.S.C. 1098a] REGIONAL MEETINGS AND NEGOTIATED RULEMAKING.

(a) MEETINGS.—

(1) IN GENERAL.—The Secretary shall obtain public involvement in the development of proposed regulations for this title. The Secretary shall obtain the advice of and recommendations from individuals and representatives of the groups involved in student financial assistance programs under this title, such as students, legal assistance organizations that represent students, institutions of higher education, *State student grant agencies,* guaranty agencies, lenders, secondary markets, loan servicers, guaranty agency servicers, and collection agencies.

* * * * * * *

SEC. [493B]*493A*. [20 U.S.C. 1098d] PROCEDURES FOR CANCELLATIONS AND DEFERMENTS FOR ELIGIBLE DISABLED VETERANS.

* * * * * * *

SEC. 496. [20 U.S.C. 1099b] RECOGNITION OF ACCREDITING AGENCY OR ASSOCIATION.

(a) CRITERIA REQUIRED.— * * *

(1) * * *

* * * * * * *

[(4) such agency or association consistently applies and enforces standards 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;**]**

(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 section 496(a)(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;

(5) the standards for accreditation of the agency or association assess the institution's—

[(A) success with respect to student achievement in relation to the institution's mission, including, as appropriate, consideration of course completion, State licensing examinations, and job placement rates;**]**

(A) success with respect to student achievement in relation to the institution's mission, which may include different standards for different institutions or programs, through the determination of expected levels of student achievement that are established by the institution, and which use, as appropriate, empirical evidence and external indicators with respect to criteria regarding—

(i) student retention rates;

(ii) course completion rates;

(iii) program completion and graduation rates;

(iv) for prebaccalaureate career and technical education programs, degree programs leading to initial professional licensure or certification, and other programs as appropriate—

(I) results on State licensing examinations; and

(II) job placement rates;

(v) as appropriate, enrollment in graduate or professional programs; and

(vi) as appropriate, other student performance information selected by the institution, particularly information—

(I) used by the institution to evaluate or strengthen the institution's programs; and

(II) that reflects the institution's individual mission and the institution's distinctive goals for students;

* * * * * * *

[(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 an agency or association shall establish and apply review procedures throughout the accrediting process, including evaluation and withdrawal proceedings which comply with due process procedures that provide for—

(A) adequate specification of requirements 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, or placement on probation of an institution, 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 authorizinq agency, and sub-

mit 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, or placement on probation of an institution, and any findings made in connection with the action taken, together with the official comments of the affected institution; and

(C) any other adverse action, taken with respect to an institution.

* * * * * * *

(c) OPERATING PROCEDURES REQUIRED.— * * *

(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) ensures that the agency or association's on-site evaluation for accreditation or reaccreditation includes review of the Federally required information the institution or program provides its current and prospective students;

(3) monitors the growth of programs at institutions that are experiencing significant enrollment growth;

(4) 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.

(C) The institution notifies the accrediting agency that the institution intends to cease operations.

[(2)**]***(5)* * * *

[(3)**]***(6)* * * *

[(4)**]***(7)* * * *

[(5)**]***(8)* 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)**]***(9)* discloses publicly whenever an institution of higher education subject to its jurisdiction is being considered for accreditation or reaccreditation**[**.**]***; and*

(10) 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 whether the institution denies a transfer of credit based solely on the accreditation of the sending institution.

* * * * * * *

(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.*

* * * * * * *

SEC. 498. [20 U.S.C. 1099c] ELIGIBILITY AND CERTIFICATION PROCEDURES.

(a) GENERAL REQUIREMENT.—* * *

* * * * * * *

(d) ADMINISTRATIVE CAPACITY STANDARD.—The Secretary is authorized—

(1) * * *

(A) * * *

(B) maintenance of records; *and*

* * * * * * *

(j) TREATMENT OF BRANCHES.—

(1) * * *

* * * * * * *

(k) TREATMENT OF TEACH-OUTS AT ADDITIONAL LOCATIONS.—

(1) IN GENERAL.—A location of a closed institution of higher education shall be eligible as an additional location of an eligible institution of higher education, as defined pursuant to regulations of the Secretary, for the purposes of a teach-out, if such teach-out has been approved by the institution's accrediting agency.

(2) SPECIAL RULE.—An institution of higher education that conducts a teach-out through the establishment of an additional location described in paragraph (1) shall be permitted to establish a permanent additional location at a closed institution and shall not be required—

(A) to meet the requirements of sections 102(b)(1)(E) and 102(c)(1)(C) for such additional location; or

(B) to assume the liabilities of the closed institution.

* * * * * * *

SEC. 498A. [20 U.S.C. 1099c–1] PROGRAM REVIEW AND DATA.

(a) GENERAL AUTHORITY.—* * *

* * * * * * *

(b) SPECIAL ADMINISTRATIVE RULES.—* * *

(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 to an institution of higher education an adequate opportunity to review and respond to any program review report and relevant materials related to the report before any final program review report is issued;

(7) review and take into consideration an institution of higher education's response in any final program review report or audit determination, and include in the report or determination—

(A) a written statement addressing the institution of higher education's response;

(B) a written statement of the basis for such report or determination; and

(C) a copy of the institution's response; and

(8) maintain and preserve at all times the confidentiality of any program review report until the requirements of paragraphs (6) and (7) are met, and until a final program review is issued, other than to the extent required to comply with paragraph (5), except that the Secretary shall promptly disclose any and all program review reports to the institution of higher education under review.

* * * * * * *

SEC. 498B. [20 U.S.C. 1099c–2] REVIEW OF REGULATIONS.

(a) REVIEW REQUIRED.—* * *

* * * * * * *

(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.

* * * * * * *

SEC. 499A. ACCESS TO TIMELY INFORMATION ABOUT LOANS.

(a) REGULAR BILL PROVIDING PERTINENT INFORMATION ABOUT A LOAN.—A lender of a loan made, insured, or guaranteed under this title shall provide the borrower of such loan a bill each month or,

in the case of a loan payable less frequently than monthly, a bill that corresponds to each payment installment time period, including a clear and conspicuous notice of—

(1) the borrower's principal borrowed;

(2) the borrower's current balance;

(3) the interest rate on such loan;

(4) the amount the borrower has paid in interest;

(5) the amount of additional interest payments the borrower is expected to pay over the life of the loan;

(6) the total amount the borrower has paid for the loan, including the amount the borrower has paid in interest, the amount the borrower has paid in fees, and the amount the borrower has paid against the balance, in a brief, borrower-friendly manner;

(7) a description of each fee the borrower has been charged for the current payment period;

(8) the date by which the borrower needs to make a payment in order to avoid additional fees;

(9) the amount of such payment that will be applied to the interest, the balance, and any fees on the loan; and

(10) the lender's address and toll-free phone number for payment and billing error purposes.

(b) INFORMATION PROVIDED BEFORE COMMENCEMENT OF REPAYMENT.—A lender of a loan made, insured, or guaranteed under this title shall provide to the borrower of such loan, at least one month before the loan enters repayment, a clear and conspicuous notice of not less than the following information:

(1) The borrower's options, including repayment plans, deferments, forbearances, and discharge options to which the borrower may be entitled.

(2) The conditions under which a borrower may be charged any fee, and the amount of such fee.

(3) The conditions under which a loan may default, and the consequences of default.

(4) Resources, including nonprofit organizations, advocates, and counselors (including the Office of the Ombudsman at the Department), where borrowers can receive advice and assistance, if such resources exist.

(c) INFORMATION PROVIDED DURING DELINQUENCY.—In addition to any other information required under law, a lender of a loan made, insured, or guaranteed under this title shall provide a borrower in delinquency with a clear and conspicuous notice of the date on which the loan will default if no payment is made, the minimum payment that must be made to avoid default, discharge options to which the borrower may be entitled, resources, including nonprofit organizations, advocates, and counselors (including the Office of the Ombudsman at the Department), where borrowers can receive advice and assistance, if such resources exist.

(d) INFORMATION PROVIDED DURING DEFAULT.—A lender of a loan made, insured, or guaranteed under this title shall provide a borrower in default, on not less than 2 separate occasions, with a clear and conspicuous notice of not less than the following information:

(1) The options available to the borrower to be removed from default.

(2) The relevant fees and conditions associated with each option.

* * * * * * *

TITLE V—DEVELOPING INSTITUTIONS

PART A—HISPANIC–SERVING INSTITUTIONS

SEC. 501. [20 U.S.C. 1101] FINDINGS; PURPOSE; AND PROGRAM AUTHORITY.

(a) FINDINGS.—* * *

* * * * * * *

SEC. 503. [20 U.S.C. 1101b] AUTHORIZED ACTIVITIES.

(a) TYPES OF ACTIVITIES AUTHORIZED.—* * *

(b) AUTHORIZED ACTIVITIES.—* * *

* * *

* * * * * * *

(5) Tutoring, counseling, and student service programs designed to improve academic success*, including innovative, customized remedial education and English language instruction courses designed to help retain students and move the students rapidly into core courses and through program completion.*

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

(7) Articulation agreements and student support programs designed to facilitate the transfer from 2-year to 4-year institutions.

[(6)]*(8)* * * *

[(7)]*(9)* * * *

[(8)]*(10)* * * *

[(9)]*(11)* * * *

[(10)]*(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.

[(11)]*(13)* * * *

[(12)]*(14)* * * *

[(13)]*(15)* * * *

[(14)]*(16)* * * *

* * * * * * *

SEC. 505. [20 U.S.C. 1101d] SPECIAL RULE.

* * * * * * *

PART B—PROMOTING POSTBACCALAUREATE OPPORTUNITIES FOR HISPANIC AMERICANS

SEC. 511. PROGRAM AUTHORITY AND ELIGIBILITY.

(a) PROGRAM AUTHORIZED.—Subject to the availability of funds appropriated to carry out this part, the Secretary shall award grants, on a competitive basis, to eligible institutions to enable the

eligible institutions to carry out the authorized activities described in section 512.

(b) ELIGIBILITY.—For the purposes of this part, an "eligible institution" means an institution of higher education that—

(1) is a Hispanic-serving institution (as defined in section 502); and

(2) offers a postbaccalaureate certificate or degree granting program.

SEC. 512. AUTHORIZED ACTIVITIES.

Grants awarded under this part shall be used for 1 or more of the following activities:

(1) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.

(2) Construction, maintenance, renovation, and improvement in classroom, library, laboratory, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services.

(3) Purchase of library books, periodicals, technical and other scientific journals, microfilm, microfiche, and other educational materials, including telecommunications program materials.

(4) 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 education technologies, including purchase or rental of telecommunications technology equipment or services.

(7) Collaboration with other institutions of higher education to expand postbaccalaureate certificate and degree offerings.

(8) Other activities proposed in the application submitted pursuant to section 513 that are approved by the Secretary as part of the review and acceptance of such application.

SEC. 513. 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 the Secretary may require. Such application shall demonstrate how the grant funds will be used to improve post-baccalaureate education opportunities for Hispanic and low-income students and will lead to such students' greater financial independence.

(b) DURATION.—Grants under this part shall be awarded for a period not to exceed 5 years.

(c) LIMITATION.—The Secretary may not award more than 1 grant under this part in any fiscal year to any Hispanic-serving institution.

* * * * * * *

[PART B]*PART C*—GENERAL PROVISIONS

SEC. [511]*521*. [20 U.S.C. 1103] ELIGIBILITY; APPLICATIONS.

(a) INSTITUTIONAL ELIGIBILITY.—* * *

(b) APPLICATIONS.—

(1) APPLICATIONS REQUIRED.—* * *

(A) the application meets the requirements of [subsection (b)]*subsection (c)*; and

* * * * * * *

SEC. [512]*522*. [20 U.S.C. 1103a] WAIVER AUTHORITY AND REPORTING REQUIREMENT.

* * * * * * *

SEC. [513]*523*. [20 U.S.C. 1103b] APPLICATION REVIEW PROCESS.

* * * * * * *

SEC. [514]*524*. [20 U.S.C. 1103c] 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]*sections 503 and 512* 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*. [20 U.S.C. 1103d] ASSISTANCE TO INSTITUTIONS UNDER OTHER PROGRAMS.

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SEC. [516]*526*. [20 U.S.C. 1103e] LIMITATIONS.

* * * * * * *

SEC. [517]*527*. [20 U.S.C. 1103f] PENALTIES.

* * * * * * *

SEC. [518]*528*. [20 U.S.C. 1103g] AUTHORIZATIONS OF APPROPRIATIONS.

[(a) AUTHORIZATIONS.—]*(a) AUTHORIZATIONS.—*

(1) PART A.—There are authorized to be appropriated to carry out *part A of* this title [$62,500,000 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 2008 and each of the 5 succeeding fiscal years.*

(2) PART B—There are authorized to be appropriated to carry out part B of this title such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

* * * * * * *

TITLE VI—INTERNATIONAL EDUCATION PROGRAMS

PART A—INTERNATIONAL AND FOREIGN LANGUAGE STUDIES

SEC. 601. [20 U.S.C. 1121] FINDINGS [AND PURPOSES]*; PURPOSES; CONSULTATION; SURVEY.*

(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*, including through linkages with overseas institutions*; and

* * * * * * *

(c) CONSULTATION.—The Secretary shall, prior to requesting applications for funding under this title during each grant cycle, consult with and receive recommendations regarding national need for expertise in foreign languages and world regions from the head officials of a wide range of Federal agencies. Such agencies shall provide information to the Secretary regarding how the agencies utilize expertise and resources provided by grantees under this title. The Secretary shall take into account such recommendations and information when requesting applications for funding under this title, and shall make available to applicants a list of areas identified as areas of national need.

(d) SURVEY.—The Secretary shall assist grantees in developing a survey to administer to students who have participated in programs under this title to determine postgraduation placement. All grantees, where applicable, shall administer such survey not less often than annually and report such data to the Secretary.

* * * * * * *

SEC. 602. [20 U.S.C. 1122] 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.—* * *

* * * * * * *

(2) AUTHORIZED ACTIVITIES.—* * *

(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[.]*; and*

(I) support for instructors of the less commonly taught languages.

* * * * * * *

(4) OUTREACH GRANTS AND SUMMER INSTITUTES.—* * *

(A) * * *

(B) * * *

(C) Programs of linkage or outreach between or among—

(i) foreign language, area studies, or other international fields; and

(ii) State educational agencies or local educational agencies.

[(C)]*(D)* Programs of linkage or outreach with departments or agencies of Federal and State governments*, including Federal or State scholarship programs for students in related areas.*

[(D)]*(E)* * * *

[(E)]*(F)* Summer institutes in foreign area, 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] FELLOWSHIPS FOR FOREIGN LANGUAGE AND AREA OR INTERNATIONAL STUDIES.—

(1) IN GENERAL.—* * *

[(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—

(A) in an instructional program with stated performance goals, for functional foreign language use or in a program developing such performance goals, in combination with area studies, international studies, or the international aspects of a professional studies program; and

(B)(i) in the case of an undergraduate student, in the intermediate or advanced study of a less commonly taught language; or

(ii) in the case of a graduate student, in graduate study in connection with a program described in subparagraph (A), including—

(I) predissertation level study;

(II) preparation for dissertation research;

(III) dissertation research abroad; or

(IV) dissertation writing.

* * * * * * *

[(d) ALLOWANCES.—Stipends awarded to graduate level recipients may include allowances for dependents and for travel for research and study in the United States and abroad.]

(d) ALLOWANCES.—

(1) GRADUATE LEVEL RECIPIENTS.—A stipend awarded to a graduate level recipient may include allowances for dependents and for travel for research and study in the United States and abroad.

(2) UNDERGRADUATE LEVEL RECIPIENTS.—A stipend awarded to an undergraduate level recipient may include an allowance for educational programs in the United States or educational programs abroad that—

(A) are closely linked to the overall goals of the recipient's course of study; and

(B) have the purpose of promoting foreign language fluency and knowledge of foreign cultures.

(e) APPLICATION.—Each institution or combination of institutions desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information and assurances as the Secretary may require. Each application shall include an explanation of how the activities funded by the grant will reflect diverse perspectives and a wide range of views and generate debate on world regions and international affairs. Each application shall also describe how the applicant will address disputes regarding whether activities funded under the application reflect diverse perspectives and a wide range of views. Each application shall also include a description of how the applicant will encourage government service in areas of national need, as identified by the Secretary, as well as in needs in the education, business, and nonprofit sectors.

* * * * * * *

SEC. 604. [20 U.S.C. 1124] 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.—* * *

(2) USE OF FUNDS.—* * *

(A) * * *

* * * * * * *

(H) * * *

(I) providing subgrants to undergraduate students for educational programs abroad that—

(i) are closely linked to the overall goals of the program for which the grant is awarded; and

(ii) have the purpose of promoting foreign language fluency and knowledge of foreign cultures;

[(I)]*(J)* * * *

[(J)]*(K)* * * *

[(K)]*(L)* * * *

[(L)]*(M)* * * *

* * * * * * *

[(M)]*(N)* * * *

* * * * * * *

(7) APPLICATION.—* * *

(A) * * *

* * * * * * *

(C) an assurance that students at the applicant institutions, as appropriate, will have equal access to, and derive benefits from, the program assisted under this subsection; [and]

(D) an assurance that each institution, combination or partnership will use the Federal assistance provided under this subsection to supplement and not supplant non-Federal funds the institution expends for programs to improve undergraduate instruction in international studies and foreign language[.]*;*

(E) a description of how the applicant will provide information to students regarding federally funded scholarship programs in related areas;

(F) an explanation of how the activities funded by the grant will reflect diverse perspectives and a wide range of views and generate debate on world regions and international affairs, where applicable;

(G) a description of how the applicant will address disputes regarding whether the activities funded under the application reflect diverse perspectives and a wide range of views; and

(H) a description of how the applicant will encourage service in areas of national need as identified by the Secretary.

* * * * * * *

(c) [FUNDING SUPPORT.—The Secretary]*FUNDING SUPPORT.—*

(1) THE SECRETARY.—The Secretary may use not more than [10] *20* percent of the total amount appropriated for this part for carrying out the purposes of this section.

(2) GRANTEES.—Of the total amount of grant funds awarded to a grantee under this section, the grantee may use not more than 10 percent of such funds for the activity described in subsection (a)(2)(I).

* * * * * * *

SEC. 605. [20 U.S.C. 1125] RESEARCH; STUDIES; ANNUAL REPORT.

(a) AUTHORIZED ACTIVITIES.—* * *

(1) * * *

* * * * * * *

(8) studies and evaluations of effective practices in the dissemination of international information, materials, research, teaching strategies, and testing techniques throughout the education community, including elementary and secondary schools; [and]

(9) the application of performance tests and standards across all areas of foreign language instruction and classroom use[.]*;*

(10) evaluation of the extent to which programs assisted under this title reflect diverse perspectives and a wide range of views and generate debate on world regions and international affairs;

(11) the systematic collection, analysis, and dissemination of data that contribute to achieving the purposes of this part; and

(12) support for programs or activities to make data collected, analyzed, or disseminated under this section publicly available and easy to understand.

* * * * * * *

SEC. 606. [20 U.S.C. 1126] TECHNOLOGICAL INNOVATION AND COOPERATION FOR FOREIGN INFORMATION ACCESS.

(a) [AUTHORITY.—The Secretary] *AUTHORITY.—*

(1) IN GENERAL.—The Secretary is authorized to make grants to institutions of higher education, public or nonprofit private libraries, or consortia of such institutions or libraries, to develop innovative techniques or programs using [new electronic technologies]*electronic technologies* to collect, organize, preserve, and widely disseminate information *from foreign sources* on world regions and countries other than the United States that address our Nation's teaching and research needs in international education and foreign languages.

(2) PARTNERSHIPS WITH NOT-FOR-PROFIT EDUCATIONAL ORGANIZATIONS.—The Secretary may award grants under this section to carry out the activities authorized under this section to the following:

(A) An institution of higher education.

(B) A public or nonprofit private library.

(C) A consortium of an institution of higher education and 1 or more of the following:

(i) Another institution of higher education.

(ii) A library.

(iii) A not-for-profit educational organization.

(b) AUTHORIZED ACTIVITIES.—Grants under this section may be used—

[to facilitate access to]*to acquire, facilitate access to,* or preserve foreign information resources in print or electronic forms;

(2) to develop new means of *or standards for* immediate, full-text document delivery for information and scholarship from abroad;

* * * * * * *

(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 to facilitate carrying out the activities described in this subsection between—

(A) the institutions of higher education, libraries, and consortia receiving grants under this section; and

(B) institutions of higher education, not-for-profit educational organizations, and libraries overseas; and

(9) to carry out other activities that the Secretary determines are consistent with the purpose of the grants or contracts awarded under this section.

(c) APPLICATION.—Each [institution or consortium]*institution of higher education, library, or consortium* desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information and assurances as the Secretary may reasonably require.

* * * * * * *

SEC. 607. [20 U.S.C. 1127] SELECTION OF CERTAIN GRANT RECIPIENTS.

(a) COMPETITIVE GRANTS.—The Secretary shall award grants under section 602 competitively on the basis of criteria that separately, but not less rigorously, [evaluates the applications for comprehensive and undergraduate language and area centers and programs.]*evaluates—*

(1) the applications for comprehensive foreign language and area or international studies centers and programs; and

(2) the applications for undergraduate foreign language and area or international studies centers and programs.

(b) SELECTION CRITERIA.—The Secretary shall set criteria for grants awarded under section 602 by which a determination of excellence shall be made to meet the differing objectives of graduate and undergraduate institutions. *The Secretary shall also consider an applicant's record of placing students into service in areas of national need and an applicant's stated efforts to increase the number of such students that go into such service.*

* * * * * * *

SEC. 609. [20 U.S.C. 1128a] AMERICAN OVERSEAS RESEARCH CENTERS.

(a) CENTERS AUTHORIZED.—* * *

* * * * * * *

(e) APPLICATION.—Each center desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information and assurances as the Secretary may require.

* * * * * * *

SEC. 610. [20 U.S.C. 1128b] AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part [$80,000,000 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 2008 and each of the 5 succeeding fiscal years.*

* * * * * * *

PART B—BUSINESS AND INTERNATIONAL EDUCATION PROGRAMS

SEC. 611. [20 U.S.C. 1130] FINDINGS AND PURPOSES.

(a) FINDINGS.—* * *

* * * * * * *

SEC. 612. [20 U.S.C. 1130–1] CENTERS FOR INTERNATIONAL BUSINESS EDUCATION.

(a) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—* * *

* * * * * * *

(f) GRANT CONDITIONS.—* * *

(1) * * *

* * * * * * *

(3) assurance that the education and training programs of the center will be open to students concentrating in each of these respective areas, as appropriate*, and that diverse perspectives will be made available to students in programs under this section*; and

SEC. 613. [20 U.S.C. 1130a] EDUCATION AND TRAINING PROGRAMS.

(a) PROGRAM AUTHORIZED.—* * *

* * * * * * *

(c) APPLICATIONS.—No grant may be made and no contract may be entered into under this section unless an institution of higher education submits an application to the Secretary at such time and in such manner as the Secretary may reasonably require. Each such application shall be accompanied by a copy of the agreement entered into by the institution of higher education with a business enterprise, trade organization or association engaged in international economic activity, or a combination or consortium of such enterprises, organizations or associations, for the purpose of establishing, developing, improving or expanding activities eligible for assistance under subsection (b) of this section. Each such application shall contain assurances that the institution of higher education will use the assistance provided under this section to supplement and not to supplant activities conducted by institutions of higher education described in subsection (b). *Each such application shall include an assurance that, where applicable, the activities funded by the grant will reflect diverse perspectives and a wide range of views on world regions and international affairs.*

* * * * * * *

SEC. 614. [20 U.S.C. 1130b] AUTHORIZATION OF APPROPRIATIONS.

(a) CENTERS FOR INTERNATIONAL BUSINESS EDUCATION.—There are authorized to be appropriated **[**$11,000,000 for the 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 2008 and each of the 5 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, and such sums as may be necessary for the 4 succeeding fiscal years,**]***such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years* to carry out the provisions of section 613.

* * * * * * *

PART C—INSTITUTE FOR INTERNATIONAL PUBLIC POLICY

SEC. 621. [20 U.S.C. 1131] MINORITY FOREIGN SERVICE PROFESSIONAL DEVELOPMENT PROGRAM.

(a) ESTABLISHMENT.—* * *

* * * * * * *

(c) APPLICATION.—Each eligible recipient desiring a grant under this section shall submit an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require. *Each application shall include a description of how the activities funded by the grant will reflect diverse perspectives and a wide range of views on world regions and international affairs, where applicable.*

* * * * * * *

(e) [MATCH REQUIRED.—The eligible]*MATCHING FUNDS.*—

(1) *IN GENERAL.—Subject to paragraph (2), the eligible* recipient of a grant under this section shall contribute to the conduct of the program supported by the grant an amount from non-Federal sources equal to at least one-half the amount of the grant, which contribution may be in cash or in kind.

(2) WAIVER.—The Secretary may waive the requirement of paragraph (1) for an eligible recipient if the Secretary determines such waiver is appropriate.

* * * * * * *

SEC. 622. [20 U.S.C. 1131–1] INSTITUTIONAL DEVELOPMENT.

(a) IN GENERAL.—The Institute shall award grants, from amounts available to the Institute for each fiscal year, to historially Black colleges and universities, Hispanic-serving institutions, [Tribally Controlled Colleges or Universities], *tribally controlled colleges or universities* and minority institutions, to enable such colleges, universities, and institutions to strengthen [international affairs programs.]*international affairs, international business, and foreign language study programs, including the teaching of foreign languages, at such colleges, universities, and institutions, respectively, which may include collaboration with institutions of higher education that receive funding under this title.*

* * * * * * *

(c) DEFINITIONS.—In this section—

[(1) the term "historically Black college and university" has the meaning given the term in section 322;]

[(2)]*(1)* the term "Hispanic-serving institution" has the meaning given the term in section 502; *and*

[(3) the term "Tribally Controlled College or University" has the meaning given the term in section 2 of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801); and]

[(4)]*(2)*the term "minority institution" has the meaning given the term in section 365.

* * * * * * *

SEC. 623. [20 U.S.C. 1131a] 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], *tribally controlled colleges or universities* 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. [20 U.S.C. 1131b] [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, *and in exceptional circumstances, a doctoral degree,* in international relations. The [masters degree]*advanced degree* program designed by the consortia 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] *United States.*

* * * * * * *

SEC. 625. [20 U.S.C. 1131c] 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], *tribally controlled colleges or universities*, 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] *international* voluntary or government organizations or agencies, including the Agency for International Development, [the United States Information Agency] *the Department of State*, the International Monetary Fund, the National Security Council, the Organization of American States, the Export-Import Bank, the Overseas Private Investment Corporation,

the Department of State, Office of the United States Trade Representative, the World Bank, and the United Nations.

* * * * * * *

(c) INTERAGENCY COMMITTEE ON MINORITY CAREERS IN INERNATIONAL AFFAIRS.—

(1) ESTABLISHMENT.—* * *

(A) * * *

(E) the Director General of the Foreign Service of the Department of State, or the Director General's designee; *and*

(F) the General Counsel of the Agency for International Development, or the General Counsel's designee**[**; and**]**.

[*(G) the Associate Director for Educational and Cultural Affairs of the United States Information Agency, or the Associate Director's designee.****]***

* * * * * * *

SEC. 626. FINANCIAL ASSISTANCE.

(a) AUTHORITY.—The Institute may provide financial assistance, in the form of summer stipends described in subsection (b) and Ralph Bunche scholarship assistance described in subsection (c), to needy students to facilitate the participation of the students in the Institute's programs under this part.

(b) SUMMER STIPENDS.—

(1) REQUIREMENTS.—A student receiving a summer stipend under this section shall use such stipend to defray the student's cost of participation in a summer institute program funded under this part, including the costs of travel, living, and educational expenses necessary for the student's participation in such program.

(2) AMOUNT.—A summer stipend awarded to a student under this section shall not exceed $3,000 per summer.

(c) RALPH BUNCHE SCHOLARSHIP.—

(1) REQUIREMENTS.—A student receiving a Ralph Bunche scholarship under this section—

(A) shall be a full-time student at an institution of higher education who is accepted into a program funded under this part; and

(B) shall use such scholarship to pay costs related to the cost of attendance, as defined in section 472, at the institution of higher education in which the student is enrolled.

(2) AMOUNT AND DURATION.—A Ralph Bunche scholarship awarded to a student under this section shall not exceed $5,000 per academic year.

SEC. [626].*627* [20 U.S.C. 1131d] REPORT.

The Institute shall **[**annually**]***biennially* prepare a report on the activities of the Institute and shall submit such report to the Secretary of Education and the Secretary of State.

SEC. [627].*628* [20 U.S.C. 1131e] GIFTS AND DONATIONS.

The Institute is authorized to receive money and other property donated, bequeathed, or devised to the Institute with or without a condition of restriction, for the purpose of providing financial support for the fellowships or underwriting the cost of the Junior Year Abroad Program. All funds or property given, devised, or be-

queathed shall be retained in a separate account, and an accounting of those funds and property shall be included in the [annual report described in section 626]*biennial report described in section 627*.

SEC. [628].*629* [20 U.S.C. 1131f] AUTHORIZATION.

There is authorized to be appropriated [$10,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out this part.]*such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.*

PART D—GENERAL PROVISIONS

SEC. 631. [20 U.S.C. 1132] DEFINITIONS.

(a) DEFINITIONS.—As used in this title—

(1) * * *

[(5)]*(2)* the term "[comprehensive language and area center]*comprehensive foreign language and area or international studies center*" means an administrative unit of a university that contributes significantly to the national interest in advanced research and scholarship, employs a critical mass of scholars in diverse disciplines related to a geographic concentration, offers intensive language training in languages of its area specialization, maintains important library collections related to the area, and makes training available in language and area studies to a graduate, postgraduate, and undergraduate clientele; and

[(9)]*(3)* the term "educational programs abroad" means programs of study, internships, or service learning outside the United States which are part of a foreign language or other international curriculum at the undergraduate or graduate education levels[.]*;*

[(3)]*(4)* the term "export education" means educating, teaching and training to provide general knowledge and specific skills pertinent to the selling of goods and services to other countries, including knowledge of market conditions, financial arrangements, laws and procedures;

(5) the term "historically Black college and university" has the meaning given the term "part B institution" in section 322;

[(8)]*(6)* the term "institution of higher education" means, in addition to institutions which meet the definition of section 101 of this Act, institutions which meet the requirements of section 101 of this Act except that (1) they are not located in the United States, and (2) they apply for assistance under this title in consortia with institutions which meet the definition of section 101 of this Act; [and]

[(2)]*(7)* the term "international business" means profit-oriented business relationships conducted across national boundaries and includes activities such as the buying and selling of goods, investments in industries, the licensing of processes, patents and trademarks, and the supply of services;

[(4)]*(8)* the term "internationalization of curricula" means the incorporation of international or comparative perspectives in existing courses of study or the addition of new components

to the curricula to provide an international context for American business education;

(9) the term "tribally controlled college or university" has the meaning given the term in section 2 of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801); and

[(6)**]***(10)* the term "**[**undergraduate language and area center**]***undergraduate foreign language and area or international studies center*" means an administrative unit of an institution of higher education, including but not limited to 4-year colleges, that contributes significantly to the national interest through the education and training of students who matriculate into advanced language and area studies programs, professional school programs, or incorporates substantial international and foreign language content into baccalaureate degree programs, engages in research, curriculum development and community outreach activities designed to broaden international and foreign language knowledge, employs faculty with strong language, area, and international studies credentials, maintains library holdings, including basic reference works, journals, and works in translation, and makes training available predominantly to undergraduate students;

[(7) the term "critical languages" means each of the languages contained in the list of critical languages designated by the Secretary pursuant to section 212(d) of the Education for Economic Security Act (50 Fed. Reg. 149, 31413), except that, in the implementation of this definition, the Secretary may set priorities according to the purposes of this title;**]**

* * * * * * *

SEC. 632. ASSESSMENT; ENFORCEMENT; RULE OF CONSTRUCTION.

(a) IN GENERAL.—The Secretary is authorized to assess and ensure compliance with all the conditions and terms of grants provided under this title. If a complaint regarding activities funded under this title is not resolved under the process outlined in the relevant grantee's application, such complaint shall be filed with the Department and reviewed by the Secretary. The Secretary shall take the review of such complaints into account when determining the renewal of grants.

(b) RULE OF CONSTRUCTION.—Nothing in this title shall be construed to authorize the Secretary to mandate, direct, or control an institution of higher education's specific instructional content, curriculum, or program of instruction.

SEC. 633. EVALUATION, OUTREACH, AND INFORMATION.

The Secretary may use not more than 1 percent of the funds made available under this title to carry out program evaluation, national outreach, and information dissemination activities relating to the programs authorized under this title.

SEC. 634. BIENNIAL REPORT.

The Secretary shall, in consultation and collaboration with the Secretary of State, the Secretary of Defense, and the heads of other relevant Federal agencies, submit a biennial report that identifies areas of national need in foreign language, area, and international studies as such studies relate to government, education, business,

and nonprofit needs, and a plan to address those needs. The report shall be provided to the authorizing committees and made available to the public.

* * * * * * *

TITLE VII—GRADUATE AND POSTSECONDARY IMPROVEMENT PROGRAMS

SEC. 700. [20 U.S.C. 1133] PURPOSE.

It is the purpose of this title—

(1) * * *

(A) * * *

(B) that are designed to—

(i) sustain and enhance the capacity for graduate education in areas of national need*, including those areas critical to United States national and homeland security needs such as mathematics, science, and engineering*; and

* * * * * * *

PART A—GRADUATE EDUCATION PROGRAMS

Subpart 1—Jacob K. Javits Fellowship Program

SEC. 701. [20 U.S.C. 1134] AWARD OF JACOB K. JAVITS FELLOWSHIPS.

(a) AUTHORITY AND TIMING OF AWARDS.— * * *

* * * * * * *

SEC. 702. [20 U.S.C. 1134a] 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 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.]

(1) APPOINTMENT.—

(A) IN GENERAL.—The Secretary shall appoint a Jacob K. Javits Fellows Program Fellowship Board (referred to in this subpart as the 'Board') consisting of 9 individuals representative of both public and private institutions of higher education who are especially qualified to serve on the Board.

(B) QUALIFICATIONS.—In making appointments under subparagraph (A), the Secretary shall—

(i) give due consideration to the appointment of individuals who are highly respected in the academic community;

(ii) assure that individuals appointed to the Board are broadly representative of a range of disciplines in graduate education in arts, humanities, and social sciences;

(iii) appoint members to represent the various geographic regions of the United States; and

"(iv) include representatives from minority institutions, as defined in section 365.

* * * * * * *

SEC. 703. [20 U.S.C. 1134b] 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 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], *Graduate Research Fellowship Program* 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.

* * * * * * *

SEC. 705. [20 U.S.C. 1134d] AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated [$30,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out this subpart.] *such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years to carry out this subpart.*

* * * * * * *

SEC. 712. [20 U.S.C. II35a] INSTITUTIONAL ELIGIBILITY.

(a) ELIGIBILITY CRITERIA.—* * *

[(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 post baccalaureate study in the area concerned;

(3) an assessment of how the program may achieve the most significant impact with available resources; and

(4) an assessment of current and future professional workforce needs of the United States.

* * * * * * *

SEC. 714. [20 U.S.C. 1135c] AWARDS TO GRADUATE STUDENTS.

(a) COMMITMENTS TO GRADUATE STUDENTS.—

(1) IN GENERAL.—* * *

* * * * * * *

(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] *2008–2009* for 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], *Graduate Research Fellowship Program* 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)] *715(a)* may count such excess toward the amounts the institution is required to provide pursuant to section [714(b)(2)] *713(b)(2)*

* * * * * * *

SEC. 715. [20 U.S.C. 1135d] 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] *2008–2009* and succeeding academic years, the same amount as the institutional payment made for [1998–1999] *2007–2008* adjusted annually thereafter in accordance with inflation as determined by the Department of Labor's Consumer Price Index for the previous calendar year.

* * * * * * *

SEC. 716. [20 U.S.C. 1135e] AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated [$35,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out this subpart.] *such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years to carry out this subpart.*

* * * * * * *

Subpart 3—Thurgood Marshall Legal Educational Opportunity Program

SEC. 721. [20 U.S.C. 1136] 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 *secondary school and* 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 college student is eligible for assistance under this section if the *secondary school student or* student is—

* * * * * * *

(c) CONTRACT OR GRANT AUTHORIZED.—

(1) to identify *secondary school and* 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 low schools;]

(2) to prepare such students for successful completion of a baccalaureate degree and for study at accredited law schools, and to assist them with the development of analytical skills, writing skills, and study methods to enhance the students' success and promote the students' admission to and 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.]

(5) to motivate and prepare such students—

(A) with respect to law school studies and practice in low-income communities; and

(B) and to provide legal services to low-income individuals and families; and

(6) to award Thurgood Marshall Fellowships to eligible law school students—

(A) who participated in summer institutes under subsection (d)(6) and who are enrolled in an accredited law school; or

(B) who have successfully completed summer institute programs comparable to the summer institutes under subsection (d) that are certified by the Council on Legal Education 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 *pre-college programs, undergraduate* 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) * * *

(B) course work offered and required for *law school* graduation;

* * * * * * *

[(D) undergraduate preparatory courses and curriculum selection;]

(D) pre-college and undergraduate preparatory courses in analytical and writing skills, study methods, and curriculum selection;

(2) summer academic programs for secondary school students who have expressed interest in a career in the law;

[(2)] *(3)* * * *

[(3)] *(4)* * * *

[(4)] *(5)* * * *

[(5)] *(6)* * * *

[(6)] *(7)* midyear seminars and other educational activities that are designed to reinforce reading, writing, and studying skills of Thurgood Marshall Fellows *and Associates*

(e) DURATION OF THE PROVISION OF SERVICES.—The services described in subsection (d) may be provided—

(1) prior to the period of law school study, *including before and during undergraduate study;*

* * * * * * *

(f) SUBCONTRACTS AND SUBGRANTS.—For the purposes of planning, developing, or delivering one or more of the services described in subsection (d), the Council on Legal Education Opportunity shall enter into subcontracts with, and make subgrants to, institutions of higher education, law schools, public and private agencies and organizations, *national and State bar associations,* and combinations of such institutions, schools, agencies, [and organizaion.] *organizations, and associations.*

[(g) STIPENDS.—The Secretary shall annually establish the maximum stipend to be paid (including allowances for participant travel and for the travel of the dependents of the participant) to Thurgood Marshall Fellows for the period of participation in summer institutes and midyear seminars. A Fellow may be eligible for such a stipend only if the Thurgood Marshall Fellow maintains satisfactory academic progress toward the Juris Doctor or Bachelor of Laws degree, as determined by the respective institutions.]

(g) FELLOWSHIPS AND STIPENDS.—The Secretary shall annually establish the maximum fellowship to be awarded, and stipend to be paid (including allowances for participant travel and for the travel of the dependents of the participant), to Thurgood Marshall Fellows or Associates for the period of participation in summer institutes, midyear seminars, and bar preparation seminars. A Fellow or Associate may be eligible for such a fellowship or stipend only if the Thurgood Marshall Fellow or Associate maintains satisfactory academic progress toward the Juris Doctor or Bachelor of Laws degree, as determined by the respective institutions (except with respect to a law school graduate enrolled in a bar preparation course).

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section [$5,000,000 for fiscal year 1999 and each of the 4 succeeding fiscal years.] *such sums as may*

be necessary for fiscal year 2008 and for each of the 5 succeeding fiscal years.

* * * * * * *

PART B—FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION

SEC. 741. [20 U.S.C. 1138] FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION.

(a) AUTHORITY.—* * *

* * * * * * *

[(3) the establishment of institutions and programs based on the technology of communications;]

(3) the establishment and continuation of institutions, programs, consortia, collaborations, and other joint efforts based on the technology of communications, including those efforts that utilize distance education and technological advancements to educate and train postsecondary students (including health professionals serving medically underserved populations);

* * * * * * *

(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 introduction of reforms in remedial education, including English language instruction, to customize remedial courses to student goals and help students progress rapidly from remedial courses into core courses and through program completion; and

(10) 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, midyear seminars, and other educational activities that stress the effects of poverty and how poverty can be alleviated through different career paths.

(b) * * *

(c) PROJECT GRAD.—

(1) PURPOSES.—The purposes of this subsection are—

(A) to provide support and assistance to programs implementing integrated education reform services in order to improve secondary school graduation, college attendance, and college completion rates for at-risk students; and

(B) to promote the establishment of new programs to implement such integrated education reform services.

(2) DEFINITIONS.—In this subsection:

(A) AT-RISK.—The term "at-risk" has the same meaning given such term in section 1432 of the Elementary and Secondary Education Act of 1965.

(B) FEEDER PATTERN.—The term "feeder pattern" means a secondary school and the elementary schools and middle schools that channel students into that secondary school.

(3) GRANT AUTHORIZED.—The Secretary is authorized to award a grant to Project GRAD USA (referred to in this subsection as the "grantee"), a non-profit educational organization that has as its primary purpose the improvement of secondary school graduation, college attendance, and college completion rates for at-risk students, to implement and sustain the integrated education reform program at existing Project GRAD sites, and to promote the expansion of the Project GRAD program to new sites.

(4) REQUIREMENTS OF GRANT AGREEMENT.—The Secretary shall enter into an agreement with the grantee that requires that the grantee shall—

(A) enter into subcontracts with nonprofit educational organizations that serve a substantial number or percentage of at-risk students (referred to in this subsection as "subcontractors"), under which the subcontractors agree to implement the Project GRAD program and provide matching funds for such programs; and

(B) directly carry out—

(i) activities to implement and sustain the literacy, mathematics, classroom management, social service, and college access components of the Project GRAD program;

(ii) activities for the purpose of implementing new Project GRAD program sites;

(iii) activities to support, evaluate, and consistently improve the Project GRAD program;

(iv) activities for the purpose of promoting greater public awareness of integrated education reform services to improve secondary school graduation, college attendance, and college completion rates for at-risk students; and

(v) other activities directly related to improving secondary school graduation, college attendance, and college completion rates for at-risk students.

(5) GRANTEE CONTRIBUTION AND MATCHING REQUIREMENT.—

(A) IN GENERAL.—The grantee shall provide funds to each subcontractor based on the number of students served by the subcontractor in the Project GRAD program, adjusted to take into consideration—

(i) the resources available in the area where the subcontractor will implement the Project GRAD program; and

(ii) the need for the Project GRAD program in such area to improve student outcomes, including reading and mathematics achievement and, where applicable, secondary school graduation, college attendance, and college completion rates.

(B) MATCHING REQUIREMENT.—Each subcontractor shall provide funds for the Project GRAD program in an amount that is equal to or greater than the amount received by the subcontractor from the grantee. Such matching funds may be provided in cash or in-kind, fairly evaluated.

(6) EVALUATION.—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 subsection.

(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) UNDERSTANDING THE FEDERAL REGULATORY IMPACT ON HIGHER EDUCATION.—

(1) PURPOSE.—The purpose of this subsection is to help institutions of higher education understand the regulatory impact of the Federal Government on such institutions, in order to raise awareness of institutional legal obligations and provide information to improve compliance with, and to reduce the duplication and inefficiency of, Federal regulations.

(2) PROGRAM AUTHORIZED.—The Secretary is authorized to award 1 grant or contract to an institution of higher education to enable the institution to carry out the activities described in the agreement under paragraph (4).

(3) INSTITUTION REQUIREMENTS.—The Secretary shall award the grant or contract under this subsection to an institution of higher education that has demonstrated expertise in—

(A) reviewing Federal higher education regulations;

(B) maintaining a clearinghouse of compliance training materials; and

(C) explaining the impact of such regulations to institutions of higher education through a comprehensive and freely accessible website.

(4) REQUIREMENTS OF AGREEMENT.—As a condition of receiving a grant or contract under this subsection, the institution of higher education shall enter into an agreement with the Secretary that shall require the institution to—

(A) monitor Federal regulations, including notices of proposed rulemaking, for their impact or potential impact on higher education;

(B) provide a succinct description of each regulation or proposed regulation that is relevant to higher education; and

(C) maintain a website providing information on Federal regulations that is easy to use, searchable, and updated regularly.

(f) 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 is a spouse 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; 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 AMONG.—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.—100 percent of amounts appropriated to carry out this subsection shall be used for scholarships awarded under this subsection.

* * * * * * *

SEC. 744. [20 U.S.C. 1138c] SPECIAL PROJECTS.

(a) GRANT AUTHORITY.—* * *

* * * * * * *

[(c) AREAS OF NATIONAL NEED.—Areas of national need shall initially include, but shall not be limited to, the following:

[(1) Institutional restructuring to improve learning and promote productivity, efficiency, quality improvement, and cost and price control.

[(2) Articulation between 2- and 4-year institutions of higher education, including developing innovative methods for ensuring the successful transfer of students from 2- to 4-year institutions of higher education.

[(3) Evaluation and dissemination of model programs.

[(4) International cooperation and student exchange among postsecondary education institutions.]

(c) AREAS OF NATIONAL NEED.—Areas of national need shall include, at a minimum, the following:

(1) Institutional restructuring to improve learning and promote productivity, efficiency, quality improvement, and cost and price control.

(2)Improvements in academic instruction and student learning, including efforts designed to assess the learning gains made by postsecondary students.

(3) Articulation between 2- and 4-year institutions of higher education, including developing innovative methods for ensuring the successful transfer of students from 2- to 4-year institutions of higher education.

(4) Development, evaluation and dissemination of model programs, including model core curricula that—

(A) provide students with a broad and integrated knowledge base;

(B) include, at a minimum, broad survey courses in English literature, American and world history, American political institutions, economics, philosophy, college-level mathematics, and the natural sciences; and

(C) include sufficient study of a foreign language to lead to reading and writing competency in the foreign language.

(5) International cooperation and student exchanges among postsecondary educational institutions.

* * * * * * *

SEC. 745. [20 U.S.C. 1138d] AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part [$30,000,000 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 2008 and each, of the 5 succeeding fiscal years.*

* * * * * * *

PART D—[DEMONSTRATION] PROJECTS TO ENSURE STUDENTS WITH DISABILITIES RECEIVE A QUALITY HIGHER EDUCATION

Subpart 1—Quality Higher Education

SEC. 761. [20 U.S.C. 1140] 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. [20 U.S.C. 1140a] GRANTS AUTHORIZED.

(a) COMPETITIVE GRANTS AUTHORIZED.—* * *

(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 methods and strategies to provide faculty and administrators with the skills and supports necessary [to teach students with disabilities]*to teach and meet the academic and programmatic needs of students with disabilities in order to improve retention and completion of postsecondary education*. 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 and effective teaching methods and strategies to ensure the successful transition of students with disabilities from secondary 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[.],*including data on the postsecondary education of and impact on subsequent employment of students with disabilities. Such research, information, and data shall be made publicly available and accessible.*

(D) DISTANCE LEARNING.—The development of innovative and effective teaching methods and strategies to provide 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 curriculum and electronic communication for instruction and advisement.

(E) DISABILITY CAREER PATHWAYS.—

(i) IN GENERAL.—Training and providing support to secondary and postsecondary staff with respect to disability-related fields to—

(I) encourage interest and participation in such fields, among students with disabilities and other students;

(II) enhance awareness and understanding of such fields among such students;

(III) provide educational opportunities in such fields among such students;

(IV) teach practical skills related to such fields among such students; and

(V) offer work-based opportunities in such fields among such students.

(ii) DEVELOPMENT.—The training and support described in clause (i) may include developing means to offer students credit-bearing, college-level coursework, and career and educational counseling.

[(C)**]***(F)* PROFESSIONAL DEVELOPMENT AND TRAINING SESSIONS.—* * *

(G) ACCESSIBILITY OF EDUCATION.—Making postsecondary education more accessible to students with disabilities through curriculum development.

(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 (G).*

(c) CONSIDERATIONS IN MAKING AWARDS.—* * *

* * * * * * *

(d) REPORT.—Not later than 3 years after the date of enactment of the Higher Education Amendments 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. [20 U.S.C. 1140b] 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 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 the institution will work to replicate the research based and best practices of institutions of higher education with demonstrated success in serving students with disabilities.

* * * * * * *

SEC. 764. [20 U.S.C. 1140c] 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. [20 U.S.C. 1140d] AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for this [part]*subpart* [$10,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years.]*such sums as maybe necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.*

* * * * * * *

Subpart 2—Transition Programs for Students With Intellectual Disabilities Into Higher Education; Coordinating Center

SEC. 771. PURPOSE.

It is the purpose of this subpart to support model demonstration programs that promote the successful transition of students with intellectual disabilities into higher education.

SEC. 772. 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 offered by an institution of higher education that—

(A) 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;

(B) includes an advising and curriculum structure; and

(C) requires the enrollment of the student (through enrollment in credit-bearing courses, auditing or participating in courses, participating in internships, or enrollment in noncredit, nondegree courses) in the equivalent of

not less than a half-time course of study, as determined by the institution.

(2) STUDENT WITH AN INTELLECTUAL DISABILITY.—The term, "student with an intellectual disability" means a student whose mental retardation or other significant cognitive impairment substantially impacts the student's intellectual and cognitive functioning.

SEC. 773. 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) NUMBER AND DURATION OF GRANTS.—The Secretary shall award not less than 10 grants per year under this section, and each grant awarded under this subsection shall be 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, including students with intellectual disabilities who are no longer eligible for special education and related services under the Individuals with Disabilities Education Act;

(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 774 in the evaluation of the model program;

(6) partners with 1 or more local educational agencies to support students with intellectual disabilities participating in the model program who are still eligible for special education and related services under such Act, including regarding the utilization of funds available under part B of the Individuals with Disabilities Education 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 toward the cost of the model comprehensive transition and postsecondary program for students with intellectual disabilities carried out under the grant, matching funds, 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 Higher Education Amendments of 2007, 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 providing guidance and recommendations on how successful programs can be replicated.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary.

SEC. 774. 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 773;

(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 773 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 State, regional, or national 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 the 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 773 regarding such programs; and

(9) host a meeting of all recipients of grants under section 773 not less often than once a 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, and evaluation.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary.

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PART E—RESEARCH GRANTS

SEC. 781. RESEARCH GRANTS.

(a) GRANTS AUTHORIZED.—The Secretary is authorized to award grants, on a competitive basis, to eligible entities to enable the eligible entities to develop or improve valid and reliable measures of student achievement for use by institutions of higher education to measure and evaluate learning in higher education.

(b) DEFINITIONS.—In this section:

(1) ELIGIBLE ENTITY.—The term "eligible entity" means—

(A) an institution of higher education;

(B) a State agency responsible for higher education;

(C) a recognized higher education accrediting agency or an organization of higher education accreditors;

(D) an eligible applicant described in section 174(c) of the Education Sciences Reform Act of 2002; and

(E) a consortium of any combination of entities described in subparagraphs (A) through (D).

(c) APPLICATION.—

(1) IN GENERAL.—Each eligible entity that desires a grant under this part 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.—Each application submitted under subsection (a) shall include a description of how the eligible entity—

(A) will work with relevant experts, including psychometricians, research experts, institutions, associations, and other qualified individuals as determined appropriate by the eligible entity;

(B) will reach a broad and diverse range of audiences;

(C) has participated in work in improving postsecondary education;

(D) has participated in work in developing or improving assessments to measure student achievement;

(E) includes faculty, to the extent practicable, in the development of any assessments or measures of student achievement; and

(F) will focus on program specific measures of student achievement generally applicable to an entire—

(i) institution of higher education; or

(ii) State system of higher education.

(d) AWARD BASIS.—In awarding grants under this section, the Secretary shall take into consideration—

(1) the quality of an application for a grant under this section;

(2) the distribution of the grants to different—

(A) geographic regions;

(B) types of institutions of higher education; and

(C) higher education accreditors.

(e) USE OF FUNDS.—Each eligible entity receiving a grant under this section may use the grant funds—

(1) to enable the eligible entity to improve the quality, validity, and reliability of existing assessments used by institutions of higher education;

(2) to develop measures of student achievement using multiple measures of student achievement from multiple sources;

(3) to measure improvement in student achievement over time;

(4) to evaluate student achievement;

(5) to develop models of effective practices; and

(6) for a pilot or demonstration project of measures of student achievement.

(f) MATCHING REQUIREMENT.—An eligible entity described in subparagraph (A), (B), or (C) of subsection (b)(1) that receives a grant under this section shall provide for each fiscal year, from non-Federal sources, an amount (which may be provided in cash or in kind), to carry out the activities supported by the grant, equal to 50 percent of the amount received for the fiscal year under the grant.

(g) SUPPLEMENT, NOT SUPPLANT.—Grant funds provided under this section shall be used to supplement, not supplant, other Federal or State funds.

(h) REPORT.—

(1) REPORT.—The Secretary shall provide an annual report to congress on the implementation of the grant program assisted under this section.

(2) CONTENT.—The report shall include—

(A) information regarding the development or improvement of scientifically valid and reliable measures of student achievement;

(B) a description of the assessments or other measures developed by eligible entities;

(C) the results of any pilot or demonstration projects assisted under this section; and

(D) such other information as the Secretary may require.

TITLE VIII—MISCELLANEOUS

PART A—MATHEMATICS AND SCIENCE SCHOLARS PROGRAM

SEC. 811. MATHEMATICS AND SCIENCE SCHOLARS PROGRAM.

(a) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants to States, on a competitive basis, to enable the States to award eligible students, who complete a rigorous secondary school curriculum in mathematics and science, scholarships for undergraduate study.

(b) ELIGIBLE STUDENTS.—A student is eligible for a scholarship under this section if the student is a full-time undergraduate student in the student's first and second year of study who has com-

pleted a rigorous secondary school curriculum in mathematics and science.

(c) RIGOROUS CURRICULUM.—Each participating State shall determine the requirements for a rigorous secondary school curriculum in mathematics and science described in subsection (b).

(d) PRIORITY FOR SCHOLARSHIPS.—The Governor of a State may set a priority for awarding scholarships under this section for particular eligible students, such as students attending schools in high-need areas, students who are from groups underrepresented in the fields of mathematics, science, and engineering, students served by local educational agencies that do not meet or exceed State standards in mathematics and science, or students with regional or geographic needs as determined appropriate by the Governor.

(e) AMOUNT AND DURATION OF SCHOLARSHIP.—The Secretary shall award a grant under this section—

(1) in an amount that does not exceed $1,000; and

(2) for not more than 2 years of undergraduate study.

(f) MATCHING REQUIREMENT.—In order to receive a grant under this section, a State shall provide matching funds for the scholarships awarded under this section in an amount equal to 50 percent of the Federal funds received.

(g) AUTHORIZATION.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

PART B—POSTSECONDARY EDUCATION ASSESSMENT

SEC. 816. POSTSECONDARY EDUCATION ASSESSMENT.

(a) CONTRACT FOR ASSESSMENT.—The Secretary shall enter into a contract, with an independent, bipartisan organization with specific expertise in public administration and financial management, to carry out an independent assessment of the cost factors associated with the cost of tuition at institutions of higher education.

(b) TIMEFRAME.—The Secretary shall enter into the contract described in subsection (a) not later than 90 days after the date of enactment of the Higher Education Amendments of 2007.

(c) MATTERS ASSESSED.—The assessment described in subsection (a) shall—

(1) examine the key elements driving the cost factors associated with the cost of tuition at institutions of higher education during the 2001–2002 academic year and succeeding academic years;

(2) identify and evaluate measures being used to control postsecondary education costs;

(3) identify and evaluate effective measures that may be utilized to control postsecondary education costs in the future; and

(4) identify systemic approaches to monitor future postsecondary education cost trends and postsecondary education cost control mechanisms.

PART C—JOB SKILL TRAINING IN HIGH-GROWTH OCCUPATIONS OR INDUSTRIES

SEC. 821. JOB SKILL TRAINING IN HIGH-GROWTH OCCUPATIONS OR INDUSTRIES.

(a) GRANTS AUTHORIZED.—The Secretary is authorized to award grants, on a competitive basis, to eligible partnerships to enable the eligible partnerships to provide relevant job skill training in high-growth industries or occupations.

(b) DEFINITIONS.—In this section:

(1) ELIGIBLE PARTNERSHIP.—The term "eligible partnership" means a partnership—

(A) between an institution of higher education and a local hoard (as such term is defined in section 101 of the Workforce Investment Act of 1998); or

(B) if an institution of higher education is located within a State that does not operate local boards, between the institution of higher education and a State board (as such term is defined in section 101 of the Workforce Investment Act of 1998).

(2) NONTRADITIONAL STUDENT.—The term "nontraditional student" means a student who—

(A) is independent, as defined in section 480(d);

(B) attends an institution of higher education—

(i) on less than a full-time basis;

(ii) via evening, weekend, modular, or compressed courses; or

(iii) via distance education methods; or

(C) has delayed enrollment at an institution of higher education.

(3) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" means an institution of higher education, as defined in section 101(b), that offers a 1- or 2-year program of study leading to a degree or certificate.

(c) APPLICATION.—

(1) IN GENERAL.—Each eligible partnership that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such additional information as the Secretary may require.

(2) CONTENTS.—Each application submitted under paragraph (1) shall include a description of—

(A) how the eligible partnership, through the institution of higher education, will provide relevant job skill training for students to enter high-growth occupations or industries;

(B) local high-growth occupations or industries; and

(C) the need for qualified workers to meet the local demand of high-growth occupations or industries.

(d) AWARD BASIS.—In awarding grants under this section, the Secretary shall—

(1) ensure an equitable distribution of grant funds under this section among urban and rural areas of the United States; and

(2) take into consideration the capability of the institution of higher education—

(A) to offer relevant, high quality instruction and job skill training for students entering a high-growth occupation or industry;

(B) to involve the local business community and to place graduates in the community in employment in high-growth occupations or industries;

(C) to provide secondary students with dual-enrollment or concurrent enrollment options;

(D) to serve nontraditional or low-income students, or adult or displaced workers; and

(E) to serve students from rural or remote communities.

(e) USE OF FUNDS.—Grant funds provided under this section may be used—

(1) to expand or create academic programs or programs of training that provide relevant job skill training for high-growth occupations or industries;

(2) to purchase equipment which will facilitate the development of academic programs or programs of training that provide training for high-growth occupations or industries;

(3) to support outreach efforts that enable students to attend institutions of higher education with academic programs or programs of training focused on high-growth occupations or industries;

(4) to expand or create programs for distance, evening, weekend, modular, or compressed learning opportunities that provide relevant job skill training in high-growth occupations or industries;

(5) to build partnerships with local businesses in high-growth occupations or industries;

(6) to support curriculum development related to entrepreneurial training; and

(7) for other uses that the Secretary determines to be consistent with the intent of this section.

(f) REQUIREMENTS.—

(1) FISCAL AGENT.—For the purpose of this section, the institution of higher education in an eligible partnership shall serve as the fiscal agent and grant recipient for the eligible partnership.

(2) DURATION.—The Secretary shall award grants under this section for periods that may not exceed 5 years.

(3) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this section shall be used to supplement and not supplant other Federal, State, and local funds available to the eligible partnership for carrying out the activities described in subsection (e).

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this part such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

PART D—ADDITIONAL CAPACITY FOR R.N. STUDENTS OR GRADUATE-LEVEL NURSING STUDENTS

SEC. 826. 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 R.N.s 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 2006–2007, the Secretary shall 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 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) IN GENERAL.—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.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary.

PART E—AMERICAN HISTORY FOR FREEDOM

SEC. 831. AMERICAN HISTORY FOR FREEDOM.

(a) GRANTS AUTHORIZED.—The Secretary is authorized to award 3-year grants, on a competitive basis, to eligible institutions to establish or strengthen postsecondary academic programs or centers that promote and impart knowledge of—

(1) traditional American history;

(2) the history and nature of, and threats to, free institutions; or

(3) the history and achievements of Western civilization.

(b) DEFINITIONS.—In this section:

(1) ELIGIBLE INSTITUTION.—The tern "eligible institution" means an institution of higher education as defined in section 101.

(2) FREE INSTITUTION.—The term "free institution" means an institution that emerged out of Western civilization, such as democracy, constitutional government, individual rights, market economics, religious freedom and religious tolerance, and freedom of thought and inquiry.

(3) TRADITIONAL AMERICAN HISTORY.—The term "traditional American history" means—

(A) the significant constitutional, political, intellectual, economic, and foreign policy trends and issues that have shaped the course of American history; and

(B) the key episodes, turning points, and leading figures involved in the constitutional, political, intellectual, diplomatic, and economic history of the United States.

(c) APPLICATION.—

(1) IN GENERAL.—Each eligible institution that desires a grant under this part shall submit an application to the Secretary at such, time, in such manner, and accompanied by such additional information as the Secretary may require.

(2) CONTENTS.—Each application submitted under subsection (a) shall include a description of—

(A) how funds made available under this part will be used for the activities set forth, under subsection (e), including how such activities will increase knowledge with respect

to traditional American history, free institutions, or Western civilization;

(B) how the eligible institution will ensure that information about the activities funded under this part is widely disseminated pursuant to subsection (e)(1)(B);

(C) any activities to be undertaken pursuant to subsection (e)(2)(A), including identification of entities intended to participate;

(D) how funds made available under this part shall be used to supplement and not supplant non-Federal funds available for the activities described in subsection (e); and

(E) such fiscal controls and accounting procedures as may be necessary to ensure proper disbursement of and accounting for funding made available to the eligible institution under this part.

(d) AWARD BASIS.—In awarding grants under this part, the Secretary shall take into consideration the capability of the eligible institution to—

(1) increase access to quality programming that expands knowledge of traditional American history, free institutions, or Western civilization;

(2) involve personnel with strong expertise in traditional American history, free institutions, or Western civilization; and

(3) sustain the activities funded under this part after the grant has expired.

(e) USE OF FUNDS.—

(1) REQUIRED USE OF FUNDS.—Funds provided under this part shall be used to—

(A) establish or strengthen academic programs or centers focused on traditional American history, free institutions, or Western civilization, which may include—

(i) design and implementation of programs of study, courses, lecture series, seminars, and symposia;

(ii) development, publication, and dissemination of instructional materials;

(iii) research;

(iv) support for faculty teaching in undergraduate and, if applicable, graduate programs;

(v) support for graduate and postgraduate fellowships, if applicable; or

(vi) teacher preparation initiatives that stress content mastery regarding traditional American history, free institutions, or Western civilization; and

(B) conduct outreach activities to ensure that information about the activities funded under this part is widely disseminated—

(i) to undergraduate students (including students enrolled in teacher education programs, if applicable);

(ii) to graduate students (including students enrolled in teacher education programs), if applicable;

(iii) to faculty;

(iv) to local educational agencies; and

(v) within the local community.

(2) ALLOWABLE USES OF FUNDS.—Funds provided under this part may be used to support—

(A) collaboration with entities such, as—

(i) local educational agencies, for the purpose of providing elementary, middle and secondary school teachers an opportunity to enhance their knowledge of traditional American history, free institutions, or Western civilization; and

(ii) nonprofit organizations whose mission is consistent with the purpose of this part, such as academic organizations, museums, and libraries, for assistance in carrying out activities described under subsection (a); and

(B) other activities that meet the purposes of this part.

(f) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this part, there are authorized to be appropriated such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

PART F—TEACH FOR AMERICA

SEC. 836. TEACH FOR AMERICA.

(a) DEFINITIONS.—

(1) IN GENERAL.—The terms "highly qualified", "local educational agency", and "Secretary" have the meanigs given the terms in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

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

(3) HIGH NEED.—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 section—

(1) to provide highly qualified teachers to high need local educational agencies in urban and rural communities;

(2) to pay the cost of recruiting, selecting, training, and supporting new teachers; and

(3) to serve a substantial number and percentage of underserved students.

(d) AUTHORIZED ACTIVITIES.—

(1) IN GENERAL.—Grant funds provided under this section shall be used by the grantee to carry out each of the following activities:

(A) Recruiting and selecting teachers through a highly selective national process.

(B) Providing preservice training to the teachers through a rigorous summer institute that includes hands-on teaching experience and significant exposure to education coursework and theory.

(C) Placing the teachers in schools and positions designated by partner local educational agencies as high need placements serving underserved students.

(D) Providing ongoing professional development activities for the 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 section to support activities related directly to the recruitment, selection, training, and support of teachers as described in subsection (a).

(e) REPORTS AND EVALUATIONS.—

(1) ANNUAL REPORT.—The grantee shall provide to the Secretary an annual report that includes—

(A) data on the number and quality of the teachers provided to local educational agencies through a grant under this section;

(B) an externally conducted analysis of the satisfaction of local educational agencies and principals with the teachers so provided; and

(C) comprehensive data on the background of the teachers chosen, the training the teachers received, the placement sites of the teachers, the professional development of the teachers, and the retention of the teachers.

(2) STUDY.—

(A) IN GENERAL.—From funds appropriated under subsection (f), the Secretary shall provide for a study that examines the achievement levels of the students taught by the teachers assisted under this section.

(B) ACHIEVEMENT GAINS COMPARED.—The study shall compare, within the same schools, the achievement gains made by students taught by teachers who are assisted under this section with the achievement gains made by students taught by teachers who are not assisted under this section.

(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.

(f) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

(2) LIMITATION.—The grantee shall not use more than 25 percent of Federal funds from any source for administrative costs.

PART G—PATSY T. MINK FELLOWSHIP PROGRAM

SEC. 841. PATSY T. MINK FELLOWSHIP PROGRAM.

(A) PURPOSE.—

(1) IN GENERAL.—It is the purpose of this section to provide, through eligible institutions, a program of fellowship awards to assist highly qualified minorities and women to acquire the doctoral degree, or highest possible degree available, in aca-

demic areas in which such individuals are underrepresented for the purpose of enabling such individuals to enter the higher education professoriate.

(2) DESIGNATION.—Each recipient of a fellowship award from an eligible institution receiving a grant under this section shall be known as a "Patsy T. Mink Graduate Fellow".

(b) DEFINITIONS.—In this section, the term "eligible institution" means an institution of higher education, or a consortium of such institutions, that offers a program of postbaccalaureate study leading to a graduate degree.

(c) PROGRAM AUTHORIZED.—

(1) GRANTS BY SECRETARY.—

(A) IN GENERAL.—The Secretary shall award grants to eligible institutions to enable such institutions to make fellowship awards to individuals in accordance with the provisions of this section.

(B) PRIORITY CONSIDERATION.—In awarding grants under this section, the Secretary shall consider the eligible institution's prior experience in producing doctoral degree, or highest possible degree available, holders who are minorities and women, and shall give priority consideration in making grants under this section to those eligible institutions with a demonstrated record of producing minorities and women who have earned such degrees.

(2) APPLICATIONS.—

(A) IN GENERAL.—An eligible institution that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(B) APPLICATIONS MADE ON BEHALF.—

(i) IN GENERAL.—The following entities may submit an application on behalf of an eligible institution:

(I) A graduate school or department of such institution.

(II) A graduate school or department of such institution in collaboration with an undergraduate college or university of such institution.

(III) An organizational unit within such institution that offers a program of postbaccalaureate study leading to a graduate degree, including an interdisciplinary or an interdepartmental program.

(IV) A nonprofit organization with a demonstrated record of helping minorities and women earn postbaccalaureate degrees.

(ii) NONPROFIT ORGANIZATIONS.—Nothing in this paragraph shall be construed to permit the Secretary to award a grant under this section to an entity other than an eligible institution.

(3) SELECTION OF APPLICATIONS.—In awarding grants under subsection (a), the Secretary shall—

(A) take into account—

(i) the number and distribution of minority and female faculty nationally;

(ii) the current and projected need for highly trained individuals in all areas of the higher education professoriate; and

(iii) the present and projected need for highly trained individuals in academic career fields in which minorities and women are underrepresented in the higher education professoriate; and

(B) consider the need to prepare a large number of minorities and women generally in academic career fields of high national priority, especially in areas in which such individuals are traditionally underrepresented in college and university faculty.

(4) DISTRIBUTION AND AMOUNTS OF GRANTS.—

(A) EQUITABLE DISTRIBUTION.—In awarding grants under this section, the Secretary shall, to the maximum extent feasible, ensure an equitable geographic distribution of awards and an equitable distribution among public and independent eligible institutions that apply for grants under this section and that demonstrate an ability to achieve the purpose of this section.

(B) SPECIAL RULE.—To the maximum extent practicable, the Secretary shall use not less than 30 percent of the amount appropriated pursuant to subsection (f) to award grants to eligible institutions that—

(i) are eligible for assistance under title III or title V; or

(ii) have formed a consortium that includes both non-minority serving institutions and minority serving institutions.

(C) ALLOCATION.—In awarding grants under this section, the Secretary shall allocate appropriate funds to those eligible institutions whose applications indicate an ability to significantly increase the numbers of minorities and women entering the higher education professoriate and that commit institutional resources to the attainment of the purpose of this section.

(D) NUMBER OF FELLOWSHIP AWARDS.—An eligible institution that receives a grant under this section shall make not less than 15 fellowship awards.

(E) REALLOTMENT.—If the Secretary determines that an eligible institution awarded a grant under this section is unable to use all of the grant funds awarded to the institution, the Secretary shall reallot, on such date during each fiscal year as the Secretary may fix, the unused funds to other eligible institutions that demonstrate that such institutions can use any reallocated grant funds to make fellowship awards to individuals under this section.

(5) INSTITUTIONAL ALLOWANCE.—

(A) IN GENERAL.—

(i) NUMBER OF ALLOWANCES.—In awarding grants under this section, the Secretary shall pay to each eligible institution awarded a grant, for each individual awarded a fellowship by such institution under this section, an institutional allowance.

(ii) AMOUNT.—Except as provided in paragraph (3), an institutional allowance shall be in an amount equal to, for academic year 2007–2008 and succeeding academic years, the amount of institutional allowance made to an institution of higher education under section 715 for such academic year.

(B) USE OF FUNDS.—Institutional allowances may be expended in the discretion of the eligible institution and may be used to provide, except as prohibited under paragraph (4), academic support and career transition services for individuals awarded fellowships by such institution.

(C) REDUCTION.—The institutional allowance paid under paragraph (1) shall be reduced by the amount the eligible institution charges and collects from a fellowship recipient for tuition and other expenses as part of the recipient's instructional program.

(D) USE FOR OVERHEAD PROHIBITED.—Funds made available under this section may not be used for general operational overhead of the academic department or institution receiving funds under this section.

(d) FELLOWSHIP RECIPIENTS.—

(1) AUTHORIZATION.—An eligible institution that receives a grant under this section shall use the grant funds to make fellowship awards to minorities and women who are enrolled at such institution in a doctoral degree, or highest possible degree available, program and—

(A) intend to pursue a career in instruction at—

(i) an institution of higher education (as the term is defined in section 101);

(ii) an institution of higher education (as the term is defined in section 102(a)(1));

(iii) an institution of higher education outside the United States (as the term is described in section 102(a)(2)); or

(iv) a proprietary institution of higher education (as the term is defined in section 102(b)); and

(B) sign an agreement with the Secretary agreeing—

(i) to begin employment at an institution described in paragraph (1) not later than 3 years after receiving the doctoral degree or highest possible degree available, which 3-year period may be extended by the Secretary for extraordinary circumstances; and

(ii) to be employed by such institution for 1 year for each year of fellowship assistance received under this section.

(2) FAILURE TO COMPLY.—If an individual who receives a fellowship award under this section fails to comply with the agreement signed pursuant to subsection (a)(2), then the Secretary shall do 1 or both of the following:

(A) 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.

(B) Impose a fine or penalty in an amount to be determined by the Secretary.

(3) WAIVER AND MODIFICATION.—

(A) REGULATIONS.—The Secretary shall promulgate regulations setting forth criteria to be considered in granting a waiver for the service requirement under subsection (a)(2).

(B) CONTENT.—The criteria under paragraph (1) shall include whether compliance with the service requirement by the fellowship recipient would be—

(i) inequitable and represent an extraordinary hardship; or

(ii) deemed impossible because the individual is permanently and totally disabled at the time of the waiver request.

(4) AMOUNT OF FELLOWSHIP AWARDS.—Fellowship awards under this section shall consist of a stipend in an amount equal to the level of support provided to the National Science Foundation graduate fellows, except that such stipend shall be adjusted as necessary so as not to exceed the fellow's tuition and fees or demonstrated need (as determined by the institution of higher education where the graduate student is enrolled), whichever is greater.

(5) ACADEMIC PROGRESS REQUIRED.—An individual student shall not be eligible to receive a fellowship award—

(A) except during periods in which such student is enrolled, and such student is maintaining satisfactory academic progress in, and devoting essentially full time to, study or research in the pursuit of the degree for which the fellowship support was awarded; and

(B) if the student is engaged in gainful employment, other than part-time employment in teaching, research, or similar activity determined by the eligible institution to be consistent with and supportive of the student's progress toward the appropriate degree.

(e) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to require an eligible institution that receives a grant under this section—

(1) to grant a preference or to differentially treat any applicant for a faculty position as a result of the institution's participation in the program under this section; or

(2) to hire a Patsy T. Mink Fellow who completes this program and seeks employment at such institution.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2008 for each of the 5 succeeding fiscal years.

"PART H—IMPROVING COLLEGE ENROLLMENT BY SECONDARY SCHOOLS

SEC. 846. IMPROVING COLLEGE ENROLLMENT BY SECONDARY SCHOOLS.

(a) IN GENERAL.—The Secretary shall contract with 1 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 full 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.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as are necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

PART I—PREDOMINANTLY BLACK INSTITUTIONS

SEC. 850. PREDOMINANTLY BLACK INSTITUTIONS.

(a) PURPOSE.—It is the purpose of this section to assist Predominantly Black Institutions in expanding educational opportunity through a program of Federal assistance.

(b) DEFINITIONS.—In this section:

(1) EDUCATIONAL AND GENERAL EXPENDITURES.—The term "educational and general expenditures" has the meaning given the term in section 312.

(2) ELIGIBLE INSTITUTION.—The term "eligible institution" means an institution of higher education that—

(A) has an enrollment of needy undergraduate students;

(B) has an average educational and general expenditure which is low, per full-time equivalent undergraduate student in comparison with the average educational and general expenditure per full-time equivalent undergraduate student of institutions that offer similar instruction, except that the Secretary may apply the waiver requirements described in section 392(b) to this subparagraph in the same manner as the Secretary applies the waiver requirements to section 312(b)(1)(B);

(C) has an enrollment of undergraduate students that is not less than 40 percent Black American students;

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

(E) is accredited by a nationally recognized accrediting agency or association determined by the Secretary to be a reliable authority as to the quality of training offered, or is, according to such an agency or association, making reasonable progress toward accreditation.

(3) ENDOWMENT FUND.—The term "endowment fund" has the meaning given the term in section 312.

(4) ENROLLMENT OF NEEDY STUDENTS.—The term "enrollment of needy students" means the enrollment at an eligible institution with respect to which not less than 50 percent of the undergraduate students enrolled in an academic program leading to a degree—

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

(B) come from families that receive benefits under a means-tested Federal benefit program;

(C) attended a public or nonprofit private secondary school—

(i) that is in the school district of a local educational agency that was eligible for assistance under part A of title I of the Elementary and Secondary Education Act of 1965 for any year during which the student attended such secondary school; and

(ii) which for the purpose of this paragraph and for that year was determined by the Secretary (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which the enrollment of children counted under section 1113(a)(5) of such Act exceeds 30 percent of the total enrollment of such school; or

(D) are first-generation college students and a majority of such first-generation college students are low-income individuals.

(5) FIRST GENERATION COLLEGE STUDENT.—The term "first generation college student" has the meaning given the term in section 402A(g).

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

(7) MEANS-TESTED FEDERAL BENEFIT PROGRAM.—The term "means-tested Federal benefit program" means a program of the Federal Government, other than a program under title IV, in which eligibility for the program's benefits, or the amount of such benefits, are determined on the basis of income or resources of the individual or family seeking the benefit.

(8) PREDOMINANTLY BLACK INSTITUTION.—The "Predominantly Black Institution" means an institution of higher education, as defined in section 101(a)—

(A) that is an eligible institution with not less than 1,000 undergraduate students;

(B) at which not less than 50 percent of the undergraduate students enrolled at the eligible institution are low-income individuals or first generation college students; and

(C) at which not less than 50 percent of the undergraduate students are enrolled in an educational program leading to a bachelor's or associate's degree that the eligible institution is licensed to award by the State in which the eligible institution is located.

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

(c) GRANT AUTHORITY.—

(1) IN GENERAL.—The Secretary is authorized to award grants, from allotments under subsection (e), to Predominantly Black Institutions to enable the Predominantly Black Institutions to carry out the authorized activities described in subsection (d).

(2) PRIORITY.—In awarding grants under this section the Secretary shall give priority to Predominantly Black Institutions with large numbers or percentages of students described in subsections (b)(2)(A) or (b)(2)(C). The level of priority given to Predominantly Black Institutions with large numbers or percentages of students described in subsections (b)(2)(A) shall be twice the level of priority given to Predominantly Black Institutions with large numbers or percentages of students described in subsection (b)(2)(C).

(d) AUTHORIZED ACTIVITIES.—

(1) REQUIRED ACTIVITIES.—Grant funds provided under this section shall be used—

(A) to assist the Predominantly Black Institution to plan, develop, undertake, and implement programs to enhance the institution's capacity to serve more low- and middle-income Black American students;

(B) to expand higher education opportunities for students eligible to participate in programs under title IV by encouraging college preparation and student persistence in secondary school and postsecondary education; and

(C) to strengthen the financial ability of the Predominantly Black Institution to serve the academic needs of the students described in subparagraphs (A) and (B).

(2) ADDITIONAL ACTIVITIES.—Grant funds provided under this section shall be used for 1 or more of the following activities:

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

(B) Academic instruction in disciplines in which Black Americans are underrepresented.

(C) Establishing or enhancing a program of teacher education designed to qualify students to teach in a public elementary school or secondary school in the State that shall include, as part of such program, preparation for teacher certification or licensure.

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

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

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

(ii) are approved by the Secretary as part of the review and approval of an application submitted under subsection (f).

(3) ENDOWMENT FUND.—

(A) IN GENERAL.—A Predominantly Black Institution may use not more than 20 percent of the grant funds provided under this section to establish or increase an endowment fund at the institution.

(B) MATCHING REQUIREMENT.—In order to be eligible to use grant funds in accordance with subparagraph (A), a Predominantly Black Institution shall provide matching funds from non-Federal sources, 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 of title III, regarding the establishment or increase of an endowment fund that the Secretary determines are not inconsistent with, this subsection, shall apply to funds used under subparagraph (A).

(4) LIMITATION.—Not more than 50 percent of the grant funds provided to a Predominantly Black Institution under this section may be available for the purpose of constructing or maintaining a classroom, library, laboratory, or other instructional facility.

(e) ALLOTMENTS TO PREDOMINANTLY BLACK INSTITUTIONS.—

(1) FEDERAL PELL GRANT BASIS.—From the amounts appropriated to carry out this section for any fiscal year, the Secretary shall allot to each Predominantly Black Institution having an application approved under subsection (f) a sum that bears the same ratio to one-half of that amount as the number of Federal Pell Grant recipients in attendance at such institution at the end of the academic year preceding the beginning of

that fiscal year, bears to the total number of Federal Pell Grant recipients at all such institutions at the end of such academic year.

(2) GRADUATES BASIS.—From, the amounts appropriated to carry out this section for any fiscal year, the Secretary shall allot to each Predominantly Black Institution having an application approved under subsection (f) a sum that bears the same ratio to one-fourth of that amount as the number of graduates for such academic year at such institution, bears to the total number of graduates for such academic year at all such institutions.

(3) GRADUATES SEEKING A HIGHER DEGREE BASIS.—From the amounts appropriated to carry out this section for any fiscal year, the Secretary shall allot to each Predominantly Black Institution having an application approved under subsection (f) a sum that bears the same ratio to one-fourth of that amount as the percentage of graduates from such institution who are admitted to and in attendance at, not later than 2 years after graduation with an associate's degree or a baccalaureate degree, a baccalaureate degree-granting institution or a graduate or professional school in a degree program in disciplines in which Black American students are underrepresented, bears to the percentage of such graduates for all such institutions.

(4) MINIMUM ALLOTMENT.—

(A) IN GENERAL.—Notwithstanding paragraphs (1), (2), and (3), the amount allotted to each Predominantly Black Institution under this section shall not be less than $250,000.

(B) INSUFFICIENT AMOUNT.—If the amount appropriated pursuant to subsection (i) for a fiscal year is not sufficient to pay the minimum allotment provided under subparagraph (A) for the fiscal year, then the amount of such minimum allotment shall be ratably reduced. If additional sums become available for such fiscal year, such reduced allotment shall be increased on the same basis as the allotment was reduced until the amount allotted equals the minimum allotment required under subparagraph (A).

(5) REALLOTMENT.—The amount of a Predominantly Black Institution's allotment under paragraph (1), (2), (3), or (4) for any fiscal year that the Secretary determines will not be 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 determines appropriate.

(f) APPLICATIONS.—Each Predominantly Black Institution desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(g) 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 part A or part B of title III.

(h) DURATION AND CARRYOVER.—Any grant funds paid to a Predominantly Black Institution under this section that are not expended or used for the purposes for which the funds were paid within 10 years following the date on which the grant was awarded, shall be repaid to the Treasury.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2008 and each of 5 succeeding fiscal years.

PART J—EARLY CHILDHOOD EDUCATION PROFESSIONAL DEVELOPMENT AND CAREER TASK FORCE

SEC. 851. SHORT TITLE.

This part may be cited as the "Early Childhood Education Professional Development and Career Task Force Act".

SEC. 852. PURPOSE.

It is the purpose of this part—

(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. 853. DEFINITION OF EARLY CHILDHOOD EDUCATION PROGRAM.

In this part, 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; or

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

SEC. 854. GRANTS AUTHORIZED.

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

(1) to establish a State Task Force described in section 855; and

(2) to support activities of the State Task Force described in section 856.

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

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

(d) DURATION.—Grants under this part shall be awarded for a period of 5 years.

SEC. 855. STATE TASK FORCE ESTABLISHMENT.

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

(b) MEMBERSHIP.—The State Task Force shall include a representative of a State 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. 856. STATE TASK FORCE ACTIVITIES.

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

(1) coordinate and communicate regularly with the State Advisory Council on Early Care and Education (hereafter in this part referred to as "State Advisory Council") or a similar State entity charged with creating a comprehensive system of early care and education in the State, 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; and

(F) attainment of—

(i) academic credit for coursework;

(ii) an academic degree;

(iii) a credential;

(iv) licensure; or

(v) certification in early childhood education; 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, including methods for how outreach is provided to non-English speaking providers, in order to enable the providers to be aware of opportunities and resources under the statewide plan;

(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 coursework in postsecondary programs that lead to an associate, baccalaureate, or graduate degree in early childhood education;

(J) consideration of the availability of online 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. 857. STATE APPLICATION AND REPORT.

(a) IN GENERAL.—Each State desiring a grant under this part 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 856;

(4) the availability within the State of training, early childhood 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 part, 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 section to develop or expand the State's early childhood education professional development and career activities;

(2) the ways in which the State Advisory Council (or similar State entity) will coordinate the various State and local activi-

ties 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 part and carry out the activities described in section 856.

SEC. 858. EVALUATIONS.

(a) STATE EVALUATION.—Each, State receiving a grant under this part shall—

(1) evaluate the activities that are assisted under this part 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 856(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. 859. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

PART K—IMPROVING SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS EDUCATION WITH A FOCUS ON ALASKA NATIVE AND NATIVE HAWAIIAN STUDENTS

SEC. 861. 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) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101(a).

(3) 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, engineering, 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.

(4) 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.—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 that 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.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

PART L—PILOT PROGRAM TO INCREASE PERSISTENCE IN COMMUNITY COLLEGES

SEC. 865. PILOT PROGRAM TO INCREASE PERSISTENCE IN COMMUNITY COLLEGES.

(a) DEFINITIONS.—In this section:

(1) INSTITUTION OF HIGHER EDUCATION.—Except as otherwise provided in this section, the term "institution of higher education" means an institution of higher education, as defined in section 101, that provides a 1- or 2-year program of study leading to a degree or certificate.

(2) ELIGIBLE STUDENT.—The term "eligible student" means a student who—

(A) meets the requirements of section 484(a);

(B) is enrolled at least half time;

(C) is not younger than age 19 and not older than age 33;

(D) is the parent of at least 1 dependent child, which dependent child is age 18 or younger;

(E) has a family income below 200 percent of the poverty line;

(F) has a secondary school diploma or its recognized equivalent, and earned a passing score on a college entrance examination; and

(G) does not have a degree or occupational certificate from an institution of higher education, as defined in section 101 or 102(a).

(b) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants, on a competitive basis, to institutions of higher education to enable the institutions of higher education to provide additional monetary and nonmonetary support to eligible students to enable the eligible students to maintain enrollment and complete degree or certificate programs.

(c) USES OF FUNDS.—

(1) REQUIRED USES.—Each institution of higher education receiving a grant under this section shall use the grant funds—

(A) to provide scholarships in accordance with subsection (d); and

(B) to provide counseling services in accordance with subsection (e).

(2) ALLOWABLE USES OF FUNDS.—Grant funds provided under this section may be used—

(A) to conduct outreach to make students aware of the scholarships and counseling services available under this section and to encourage the students to participate in the program assisted under this section;

(B) to provide gifts of $20 or less, such as a store gift card, to applicants who complete the process of applying for assistance under this section, as an incentive and as compensation for the student's time; and

(C) to evaluate the success of the program.

(d) SCHOLARSHIP REQUIREMENTS.—

(1) IN GENERAL.—Each scholarship awarded under this section shall—

(A) be awarded for 1 academic year;

(B) be awarded in the amount of $1,000 for each of 2 semesters (prorated for quarters), or $2,000 for an academic year;

(C) require the student to maintain during the scholarship period at least half-time enrollment and a 2.0 or C grade point average; and

(D) be paid in increments of—

(i) $250 upon enrollment (prorated for quarters);

(ii) $250 upon passing midterm examinations (prorated for quarters); and

(iii) $500 upon passing courses (prorated for quarters).

(2) NUMBER.—An institution may award an eligible student not more than 2 scholarships under this section.

(e) COUNSELING SERVICES.—

(1) IN GENERAL.—Each institution of higher education receiving a grant under this section shall use the grant funds to provide students at the institution with a counseling staff dedicated to students participating in the program under this section. Each such counselor shall—

(A) have a caseload of less than 125 students;

(B) use a proactive, team-oriented approach to counseling;

(C) hold a minimum of 2 meetings with students each semester; and

(D) provide referrals to and follow-up with other student services staff, including financial and career services.

(2) COUNSELING SERVICES AVAILABILITY.—The counseling services provided under this section shall be available to participating students during the daytime and evening hours.

(f) APPLICATION.—An 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, including—

(1) the number of students to be served under this section;

(2) a description of the scholarships and counseling services that will be provided under this section; and

(3) a description of how the program under this section will be evaluated.

(g) PERIOD OF GRANT.—The Secretary may award a grant under this section for a period of 5 years.

(h) EVALUATION.—

(1) IN GENERAL.—Each institution of higher education receiving a grant under this section shall conduct an annual evaluation of the impact of the grant and shall provide the evaluation to the Secretary. The Secretary shall disseminate to the public the findings, information on best practices, and lessons learned, with respect to the evaluations.

(2) RANDOM ASSIGNMENT RESEARCH DESIGN.—The evaluation shall be conducted using a random assignment research design with the following requirements:

(A) When students are recruited for the program, all students will be told about the program and the evaluation.

(B) Baseline data will be collected from all applicants for assistance under this section.

(C) Students will be assigned randomly to 2 groups, which will consist of—

(i) a program group that will receive the scholarship and the additional counseling services; and

(ii) a control group that will receive whatever regular financial aid and counseling services are available to all students at the institution of higher education.

(3) PREVIOUS COHORTS.—In conducting the evaluation for the second and third years of the program, each institution of higher education shall include information on previous cohorts of students as well as students in the current program year.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

PART M—STUDENT SAFETY AND CAMPUS EMERGENCY MANAGEMENT

SEC. 871. STUDENT SAFETY AND CAMPUS EMERGENCY MANAGEMENT.

(a) GRANTS AUTHORIZED.—

(1) IN GENERAL.—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 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 enrolled in the institution of higher education or consortium, including mental health crisis response and intervention services, to individuals 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).

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

SEC. 872. MODEL EMERGENCY RESPONSE POLICIES, PROCEDURES, AND PRACTICES.

The Secretary of Education, the Attorney General of the United States, and the Secretary of Homeland Security shall jointly have the authority—

(1) to advise institutions of higher education on model emergency response policies, procedures, and practices; and

(2) to disseminate information concerning those policies, procedures, and practices.

* * * * * * *

EDUCATION OF THE DEAF ACT OF 1986

* * * * * * *

TITLE I—GALLAUDET UNIVERSITY; NATIONAL TECHNICAL INSTITUTE FOR THE DEAF; *OTHER PROGRAMS*

PART A—GALLAUDET UNIVERSITY

SEC. 101. [20 U.S.C. 4301] CONTINUATION OF GALLAUDET COLLEGE AS GALLAUDET UNIVERSITY.

(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 cur-

ricula, 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)[1] of the Individuals with Disabilities Education Act. Such educational environments shall include—

(A) * * *

* * * * * * *

(4) * * *

* * * * * * *

(5) The University, for purposes of the elementary and secondary education programs carried out at the Clerc Center, shall—

(A)(i) select challenging academic content standards, challenging student academic achievement standards, and academic assessments of a State, adopted and implemented, as appropriate, pursuant to paragraphs (1) and (3) of section 1111(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(1) and (3)) and approved by the Secretary; and

(ii) implement such standards and assessments for such programs by not later than the beginning of the 2009–2010 academic year;

(B) annually determine whether such programs at the Clerc Center are making adequate yearly progress, as determined according to the definition of adequate yearly progress defined (pursuant to section 1111(b)(2)(C) of such Act (20 U.S.C. 6311(b)(2)(C))) by the State that has adopted and implemented the standards and assessments selected under subparagraph (A)(i); and

(C) publicly report the results of the academic assessments implemented under subparagraph (A) and whether the programs at the Clerc Center are making adequate yearly progress, as determined under subparagraph (B).

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SEC. 105. AGREEMENT WITH GALLAUDET UNIVERSITY.

(a) GENERAL AUTHORITY.—* * *

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(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

PART B—NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

SEC. 111. [20 U.S.C. 4331] AUTHORITY.

* * * * * * *

SEC. 112. [20 U.S.C. 4332] 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) Notwithstanding the requirement under paragraph (1), if the Secretary or the Rochester Institute of Technology terminates the agreement under paragraph (1), the Secretary shall consider proposals from other institutions of higher education and enter into an agreement with 1 of such institutions for the establishment and operation of a National Technical Institution for the Deaf.

[(2)]*(3)* * * *

* * * * * * *

(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

* * * * * * *

(c) * * *

* * * * * * *

PART C—OTHER PROGRAMS

SEC. 121. CULTURAL EXPERIENCES GRANTS.

(a) IN GENERAL.—The Secretary shall, on a competitive basis, make grants to, and enter into contracts and cooperative agreements with, eligible entities to support the activities described in subsection (b).

(b) ACTIVITIES.—In carrying out this section, the Secretary shall support activities providing cultural experiences, through appropriate nonprofit organizations with a demonstrated proficiency in providing such activities, that—

(1) enrich the lives of deaf and hard-of-hearing children and adults;

(2) increase public awareness and understanding of deafness and of the artistic and intellectual achievements of deaf and hard-of-hearing persons; or

(3) promote the integration of hearing, deaf, and hard-of-hearing persons through shared cultural, educational, and social experiences.

(c) APPLICATIONS.—An eligible entity that desires to receive a grant, or enter into a contract or cooperative agreement, 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) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2007 and each of the 5 succeeding fiscal years.

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TITLE II—GENERAL PROVISIONS

SEC. 201. [20 U.S.C. 4351] DEFINITIONS.

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SEC. 203. [20 U.S.C. 43531] AUDIT.

(a) GENERAL ACCOUNTING OFFICE AUTHORITY.—* * *

* * * * * * *

(b) INDEPENDENT FINANCIAL AND COMPLIANCE AUDIT.—

(1) IN GENERAL.—* * *

(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) IN GENERAL.—* * *

* * * * * * *

(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. [20 U.S.C. 43541] 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) * * *

(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 element 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 statements 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. [20 U.S.C. 4355] MONITORING, EVALUATION, AND REPORTING.

(a) ACTIVITIES.—* * *

(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. [20 U.S.C. 4356] 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. [20 U.S.C. 4357] FEDERAL ENDOWMENT PROGRAMS FOR GALLAUDET UNIVERSITY AND THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.

(a) ESTABLISHMENT OF PROGRAMS.—* * *

* * * * * * *

(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. [20 U.S.C. 4359] 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. [20 U.S.C. 4359a] 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 University 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 rough 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 non-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. [20 U.S.C. 4359b] RESEARCH PRIORITIES.

(a) RESEARCH PRIORITIES.—* * *

* * * * * * *

(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—

SEC. 212. [20 U.S.C. 4360a] 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—

* * * * * * *

(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.

* * * * * * *

UNITED STATED INSTITUTE OF PEACE ACT

TITLE 22, UNITED STATES CODE

* * * * * * *

§ 4604. Powers and duties

(a) DISTRICT OF COLUMBIA NONPROFIT-CORPORATIVE POWERS.—

* * * * * * *

(b) DESCRIPTION OF SPECIFIC ACTIVITIES.—The Institute, acting through the Board, may—

(1) * * *

* * * * * * *

(3) establish a Jeannette Rankin Research Program on Peace to conduct research and make studies, particularly of an interdisciplinary or of a multidisciplinary nature, into the causes of war and other international conflicts and the elements of peace among the nations and peoples of the world, including peace theories, methods, techniques, programs, and systems, and into the experiences of the United States and other nations in resolving conflicts with justice and dignity and without violence as they pertain to the advancement of international peace and conflict resolution, placing particular emphasis on realistic approaches to past successes and failures in the quest for peace and arms control and utilizing to the maximum extent possible United States Government documents and classified materials from the Department of State, the Department of Defense, [the Arms Control and Disarmament Agency,]and the intelligence community;

* * * * * * *

§ 4605. Board of Directors

(a) VESTED POWERS.—

* * * * * * *

(d) QUALIFICATIONS.—

(1) Each individual appointed to the Board under subsection [(b)(5)]*(b)(4)* of this section shall have appropriate practical or academic experience in peace and conflict resolution efforts of the United States.

(2) Officers and employees of the United States Government may not be appointed to the Board under subsection [(b)(5)]*(b)(4)* of this section.

(e) TERM OF OFFICE: COMMENCEMENT AND TERMINATION, INTERIM AND REMAINDER SERVICE, LIMITATION.—

(1) Members of the Board appointed section shall be appointed under subsection [(b)(5)]*(b)(4)* of this section shall be appointed to four year terms, except that—

(A) * * *

* * * * * * *

(2) The terms of the members of the Board initially appointed under subsection [(b)(5)]*(b)(4)* of this section shall begin on January 20, 1985, and subsequent terms shall begin upon the expiration of the preceding term, regardless of when a member is appointed to fill that term.

(3) The President may not nominate an individual for appointment to the Board under subsection [(b)(5)]*(b)(4)* of this section prior to January 20, 1985, but shall submit the names of eleven nominees for initial Board membership under subsection [(b)(5)]*(b)(4)* of this section not later than ninety days after that date. If the Senate rejects such a nomination or if such a nomination is withdrawn, the President shall submit the name of a new nominee within fifteen days.

(4) An individual appointed as a member of the Board under subsection [(b)(5)]*(b)(4)* of this section may not be appointed to more than two terms on the Board.

(5) The term of a member of the Board shall not commence until the member is confirmed by the Senate and sworn in as a member of the Board.

(f) REMOVAL FROM OFFICE.—A member of the Board appointed under subsection [(b)(5)]*(b)(4)* of the section may be removed by the President—

(1) * * *

* * * * * * *

(h) MEETINGS; CHAIRMAN; VICE CHAIRMAN; QUORUM; NOTICE IN FEDERAL REGISTER; CLOSURE.—Meetings of the Board shall be conducted as follows:

(1) The President shall stipulate by name the nominee who shall be the first Chairman of the Board. The first Chairman shall serve for a term of three years. Thereafter, the Board shall elect a Chairman every three years from among the directors appointed by the President under subsection [(b)(5)]*(b)(4)* of this section and may elect a Vice Chairman if so provided by the Institute's bylaws.

* * * * * * *

(i) COMPENSATION.—A director appointed by the President under subsection [(b)(5)]*(b)(4)* of this section shall be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule under section 5332 of Title 5 for each day during which the director is engaged in the performance of duties as a member of the Board.

* * * * * * *

§ 4609. Funding

(a) AUTHORIZATION OF APPROPRIATIONS.—

(I) IN GENERAL.—For the purpose of carrying out this chapter, there are authorized [to be appropriated $15,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years.]*to be appropriated such sums as may be necessary for fiscal years 2008 through 2013.*

* * * * * * *

(d) EXTENSION.—Any authorization of appropriations made for the purposes of carrying out this title shall be extended in the same manner as applicable programs are extended under section 422 of the General Education Provisions Act.

* * * * * * *

HIGHER EDUCATION AMENDMENTS OF 1998

* * * * * * *

PART D—GRANTS TO STATES FOR WORKPLACE AND COMMUNITY TRANSITION TRAINING FOR INCARCERATED YOUTH OFFENDERS

SEC. 821. [20 U.S.C. 1151] 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.]

SEC. 821. GRANTS TO STATES FOR IMPROVED WORKPLACE AND COMMUNITY TRANSITION TRAINING FOR INCARCERATED YOUTH OFFENDERS.

(a) DEFINITION.—In this section, the term "youth offender" means a male or female offender under the age of 35, who is incarcerated in a State prison, including a prerelease facility.

(b) GRANT PROGRAM.—The Secretary of Education (in this section referred to as the "Secretary"—

(1) 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 (h), to assist and encourage youth offenders to acquire functional literacy, life, and job skills, through—

(A) the pursuit of a postsecondary education certificate, or an associate or bachelor's degree while in prison; and

(B) 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 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 shall submit to the Secretary a proposal for a youth offender program that—

(1) identifies the scope of the problem, including the number of youth offenders 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 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 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 correctional education programs (such as adult education, graduate education degree programs, and vocational training) and State industry programs;

(6) describes how the proposed programs will have considered or will utilize technology to deliver the services under this section; and

(7) describes how students will be selected so that only youth offenders eligible under subsection (e) will be enrolled in postsecondary programs.

(d) PROGRAM REQUIREMENTS.—Each State correctional education agency 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;

(B) any objectives or requirements established by the Secretary pursuant to subsection (b)(2); and

(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

(2) provide to each State 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) 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);

(2) is 35 years of age or younger; and

(3) has not been convicted of —

(A) a "criminal offense against a victim who is a minor" or a "sexually violent offense", as such terms are defined in the Jacob Wetterling Crimes Against Children and Sexually Violent Offender Registration Act (42 U.S.C. 14071 et seq.); or

(B) murder, as described in section 1111 of title 18, United States Code.

(f) 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 the related services may continue for not more than 1 year after release from confinement.

(g) 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.

(h) ALLOCATION OF FUNDS.—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 relationship to such funds as the total number of students eligible under subsection (e) in such State bears to the total number of such students in all States.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal years 2008 through 2013.

PART H—UNDERGROUND RAILROAD

SEC. 841. [20 U.S.C. 1153] UNDERGROUND RAILROAD EDUCATIONAL AND CULTURAL PROGRAM.

(a) PROGRAM ESTABLISHED.—* * *

* * * * * * *

(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 such sums as may be necessary for fiscal years 2008 through 2013.*

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HIGHER EDUCATION AMENDMENTS OF 1992

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TITLE XV—RELATED PROGRAMS AND AMENDMENTS TO OTHER LAWS

PART E—OLYMPIC SCHOLARSHIPS

SEC. 1543 [20 U.S.C. 1070 NOTE] OLYMPIC SCHOLARSHIPS.

(a) SCHOLARSHIPS AUTHORIZED.—

(1) IN GENERAL.—* * *

* * * * * * *

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized [to be appropriated $5,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out this section.]*to be appropriated such sums as may be necessary for fiscal years 2008 through 2013.*

* * * * * * *

TRIBALLY CONTROLLED COLLEGE OR UNIVERSITY ASSISTANCE ACT OF 1978

(P.L. 95–471)

[*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* [*25 U.S.C. 1801 note*] *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. [25 U.S.C. 1801](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)* * * *

[(8)]*(9)* * * *

* * * * * * *

(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)*;

* * * * * * *

[(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.]

(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.

[(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.]

* * * * * * *

ELIGIBLE GRANT RECIPIENTS

SEC. 103. [25 U.S.C. 1804] * * *

(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. [25 U.S.C. 1805] 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. [25 U.S.C. 1808 (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)]*(B)* [$6,000,]*$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. [25 U.S.C. 1810] (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.

* * * * * * *

AUTHORIZATION OF APPROPRIATIONS

SEC. 306. [25 U.S.C. 1836] (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.

* * * * * * *

SEC. 403. [25 U.S.C. 1852] AUTHORIZATION OF APPROPRIATIONS.

* * * * * * *

Subtitle 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 each fiscal year thereafter, of amounts made available pursuant to section 504, The

Secretary shall distribute to each tribally controlled postsecondary career 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 Higher Education Amendments 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.

* * * * * * *

TRIBAL ECONOMIC DEVELOPMENT AND TECHNOLOGY RELATED EDUCATION ASSISTANCE ACT OF 1990

TITLE 25, UNITED STATES CODE

* * * * * * *

§ 1852. 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.

* * * * * * *

CARL D. PERKINS CAREER AND TECHNICAL EDUCATION ACT OF 2006

* * * * * * *

SEC. 117. [20 U.S.C. 2327] 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 seg.) or the Navajo Community College Act (25 U.S.C. 610a et seg.) 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. [25 U.S.C. 640a] 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. [25 U.S.C. 640b] 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. [25 U.S.C. 640c] (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 and 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. [25 U.S.C. 640c–1] (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*.

(2) * * *

(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 College* 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.

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EFFECT ON OTHER LAWS

SEC. 6. [25 U.S.C. 640c–2] (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.

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PAYMENTS; INTEREST

SEC. 7. [25 U.S.C. 640c–31](a) * * *

(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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