comply with the agreement signed pursuant to subparagraph (C), the sum of the amounts of any graduate fellowship award received by such recipient shall, upon a determination of such a failure, be treated as a Federal Direct Unsubsidized Stafford Loan under part C of subchapter IV, and shall be subject to repayment, together with interest thereon accruing from the date of the fellowship award, in accordance with terms and conditions specified by the Secretary in regulations under this subpart.

(E) Modified service requirement

The Secretary may waive or modify the service requirement of this paragraph in accordance with regulations promulgated by the Secretary with respect to the criteria to determine the circumstances under which compliance with such service requirement is inequitable or represents a substantial hardship. The Secretary may waive the service requirement if compliance by the fellowship recipient is determined to be inequitable or represent a substantial hardship—

(i) because the individual is permanently and totally disabled at the time of the waiver request; or

(ii) based on documentation presented to the Secretary of substantial economic or personal hardship.

(f) Institutional support for fellows

An eligible institution that receives a grant under this section may reserve not more than ten percent of the grant amount for academic and career transition support for graduate fellowship recipients and for meeting the institutional obligation described in subsection (e)(3)(B).

(g) Restriction on use of funds

An eligible institution that receives a grant under this section may not use grant funds for general operational overhead of the institution.

(Pub. L. 89–329, title II, § 258, as added Pub. L. 110–315, title II, § 201(3), Aug. 14, 2008, 122 Stat. 3163.)

PART C—GENERAL PROVISIONS

§ 1041. Limitations

(a) Federal control prohibited

Nothing in this subchapter 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 subchapter.

(b) No change in State control encouraged or required

Nothing in this subchapter 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 subchapter shall be construed to permit, allow, encourage, or authorize the Secretary to establish or support any national system of teacher certification or licensure.

(d) Rule of construction

Nothing in this subchapter shall be construed to alter or otherwise affect the rights, remedies, and procedures afforded to the employees of local educational agencies under Federal, State, or local laws (including applicable regulations or court orders) or under the terms of collective bargaining agreements, memoranda of understanding, or other agreements between such employees and their employers.

(Pub. L. 89–329, title II, § 261, as added Pub. L. 110–315, title II, § 201(3), Aug. 14, 2008, 122 Stat. 3166.)

PRIOR PROVISIONS

A prior section 1041, Pub. L. 89–329, title II, § 221, as added Pub. L. 107–110, title X, § 1051(3), Jan. 8, 2002, 115 Stat. 2080, set out purpose and program authority for teacher preparation programs to enable teachers to use advanced technology in the classroom, prior to repeal by Pub. L. 110–315, title II, § 201(3), Aug. 14, 2008, 122 Stat. 3154.

Another prior section 1041, Pub. L. 89–329, title II, § 231, as added Pub. L. 96–374, title II, § 201, Oct. 3, 1980, 94 Stat. 1386; amended Pub. L. 99–498, title II, §§ 204(b)(2), 206, Oct. 17, 1986, 100 Stat. 1289; Pub. L. 102–325, title II, § 201, July 23, 1992, 106 Stat. 470, authorized grants to institutions with major research libraries, prior to repeal by Pub. L. 104–208, div. A, title I, § 101(e) [title VII, § 708(b)], Sept. 30, 1996, 110 Stat. 3009–233, 3009–312.

Another prior section 1041, Pub. L. 89–329, title II, § 231, as added Pub. L. 94–482, title I, § 107, Oct. 12, 1976, 90 Stat. 2090, set out the Congressional statement of findings and purpose for the research library resources strengthening program, prior to the general amendment of this subchapter by Pub. L. 96–374.

Another prior section 1041, Pub. L. 89–329, title II, § 231, Nov. 8, 1965, 79 Stat. 1228; Pub. L. 90–575, title II, §§ 217, 218, Oct. 16, 1968, 82 Stat. 1037; Pub. L. 92–318, title I, § 114(a), June 23, 1972, 86 Stat. 240, authorized appropriations for assistance to Library of Congress for acquisition of Library material, prior to the general amendment of former part C of this subchapter by Pub. L. 94–482, title I, § 107, Oct. 12, 1976, 90 Stat. 2090.

A prior section 1042, Pub. L. 89–329, title II, § 222, as added Pub. L. 107–110, title X, § 1051(3), Jan. 8, 2002, 115 Stat. 2081, related to eligibility to receive a grant or enter into a contract or cooperative agreement under sections 1041 to 1044 of this title, prior to repeal by Pub. L. 110–315, title II, § 201(3), Aug. 14, 2008, 122 Stat. 3154.

Another prior section 1042, Pub. L. 89–329, title II, § 232, as added Pub. L. 96–374, title II, § 201, Oct. 3, 1980, 94 Stat. 1386; amended Pub. L. 102–325, title II, § 201, July 23, 1992, 106 Stat. 471, required Secretary to endeavor to achieve broad and equitable geographical distribution of grants, prior to repeal by Pub. L. 104–208, div. A, title I, § 101(e) [title VII, § 708(b)], Sept. 30, 1996, 110 Stat. 3009–233, 3009–312.

Another prior section 1042, Pub. L. 89–329, title II, § 232, as added Pub. L. 94–482, title I, § 107, Oct. 12, 1976, 90 Stat. 2090; amended Pub. L. 96–49, § 3(b), Aug. 13, 1979, 93 Stat. 351, which authorized appropriations through fiscal year 1980, was omitted in the general amendment of this subchapter by Pub. L. 96–374.

Another prior section 1042, Pub. L. 89–329, title II, § 232, as added Pub. L. 92–318, title I, § 115(a), June 23, 1972, 86 Stat. 241, which required an evaluation and report to Congressional committees by the Librarian of the Congress, was omitted in the general amendment of

former part C of this subchapter by Pub. L. 94–482, title I, § 107, Oct. 12, 1976, 90 Stat. 2090.

A prior section 1043, Pub. L. 89–329, title II, § 223, as added Pub. L. 107–110, title X, § 1051(3), Jan. 8, 2002, 115 Stat. 2082, related to use of funds, prior to repeal by Pub. L. 110–315, title II, § 201(3), Aug. 14, 2008, 122 Stat. 3154.

Another prior section 1043, Pub. L. 89–329, title II, § 233, as added Pub. L. 94–482, title I, § 107, Oct. 12, 1976, 90 Stat. 2090, related to eligibility for assistance under research library resources strengthening program, prior to the general amendment of this subchapter by Pub. L. 96–374.

A prior section 1044, Pub. L. 89–329, title II, § 224, as added Pub. L. 107–110, title X, § 1051(3), Jan. 8, 2002, 115 Stat. 2083, related to authorization of appropriations, prior to repeal by Pub. L. 110–315, title II, § 201(3), Aug. 14, 2008, 122 Stat. 3154.

Another prior section 1044, Pub. L. 89–329, title II, § 234, as added Pub. L. 94–482, title I, § 107, Oct. 12, 1976, 90 Stat. 2090, related to regional balance in allocation of funds, prior to the general amendment of this subchapter by Pub. L. 96–374.

Prior sections 1045 and 1046 were omitted in the general amendment of this subchapter by Pub. L. 96–374.

Section 1045, Pub. L. 89–329, title II, § 235, as added Pub. L. 94–482, title I, § 107, Oct. 12, 1976, 90 Stat. 2091, set out limitations on grants as regards sectarian or religious use.

Section 1046, Pub. L. 89–329, title II, § 236, as added Pub. L. 94–482, title I, § 107, Oct. 12, 1976, 90 Stat. 2091, required consultations by grantees with State agencies.

A prior section 1047, Pub. L. 89–329, title II, § 241, as added Pub. L. 99–498, title II, § 207, Oct. 17, 1986, 100 Stat. 1289; amended Pub. L. 102–325, title II, § 201, July 23, 1992, 106 Stat. 471; Pub. L. 103–208, § 2(a)(3), Dec. 20, 1993, 107 Stat. 2457, authorized Secretary to make grants to and enter into contracts with eligible institutions, library organizations or agencies to assist in strengthening library and information science programs and libraries in historically black colleges and universities and other minority-serving institutions, prior to repeal by Pub. L. 104–208, div. A, title I, § 101(e) [title VII, § 708(b)], Sept. 30, 1996, 110 Stat. 3009–233, 3009–312.

Another prior section 1047 and prior sections 1047a to 1047j were omitted in the general amendment of former part D of this subchapter by Pub. L. 99–498.

Section 1047, Pub. L. 89–329, title II, § 241, as added Pub. L. 96–374, title II, § 201, Oct. 3, 1980, 94 Stat. 1386, stated congressional declaration of purpose.

Section 1047a, Pub. L. 89–329, title II, § 242, as added Pub. L. 96–374, title II, § 201, Oct. 3, 1980, 94 Stat. 1387, established National Periodical System Corporation.

Section 1047b, Pub. L. 89–329, title II, § 243, as added Pub. L. 96–374, title II, § 201, Oct. 3, 1980, 94 Stat. 1387, related to functions of National Periodical System Corporation.

Section 1047c, Pub. L. 89–329, title II, § 244, as added Pub. L. 96–374, title II, § 201, Oct. 3, 1980, 94 Stat. 1387, related to board of directors of National Periodical System Corporation.

Section 1047d, Pub. L. 89–329, title II, § 245, as added Pub. L. 96–374, title II, § 201, Oct. 3, 1980, 94 Stat. 1388, related to director and staff of National Periodical System Corporation.

Section 1047e, Pub. L. 89–329, title II, § 246, as added Pub. L. 96–374, title II, § 201, Oct. 3, 1980, 94 Stat. 1388, related to nonprofit nature of National Periodical System Corporation.

Section 1047f, Pub. L. 89–329, title II, § 247, as added Pub. L. 96–374, title II, § 201, Oct. 3, 1980, 94 Stat. 1388, related to authority of National Periodical System Corporation.

Section 1047g, Pub. L. 89–329, title II, § 248, as added Pub. L. 96–374, title II, § 201, Oct. 3, 1980, 94 Stat. 1389, related to congressional approval of design for national periodical system.

Section 1047h, Pub. L. 89–329, title II, § 249, as added Pub. L. 96–374, title II, § 201, Oct. 3, 1980, 94 Stat. 1389, related to effect of former part D of this subchapter on copyright law.

Section 1047i, Pub. L. 89–329, title II, § 250, as added Pub. L. 96–374, title II, § 201, Oct. 3, 1980, 94 Stat. 1389, defined terms used in former part D of this subchapter.

Section 1047j, Pub. L. 89–329, title II, § 251, as added Pub. L. 96–374, title II, § 201, Oct. 3, 1980, 94 Stat. 1390, authorized appropriations to carry out former part D of this subchapter.

SUBCHAPTER III—INSTITUTIONAL AID

CODIFICATION

Title III of the Higher Education Act of 1965, comprising this subchapter, was originally enacted by Pub. L. 89–329, title III, Nov. 8, 1965, 79 Stat. 1229, and amended by Pub. L. 89–752, Nov. 3, 1966, 80 Stat. 1240; Pub. L. 90–575, Oct. 16, 1968, 82 Stat. 1014; Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 121; Pub. L. 92–318, June 23, 1972, 86 Stat. 235; Pub. L. 93–380, Aug. 21, 1974, 88 Stat. 484; Pub. L. 94–482, Oct. 12, 1976, 90 Stat. 2081; Pub. L. 96–49, Aug. 13, 1979, 93 Stat. 351; Pub. L. 96–374, Oct. 3, 1980, 94 Stat. 1367; Pub. L. 97–35, Aug. 13, 1981, 95 Stat. 357; Pub. L. 98–95, Sept. 26, 1983, 97 Stat. 708; Pub. L. 98–312, June 12, 1984, 98 Stat. 233. Such title is shown herein, however, as having been added by Pub. L. 99–498, title III, § 301(a), Oct. 17, 1986, 100 Stat. 1290, without reference to such intervening amendments because of the extensive revision of title III by Pub. L. 99–498.

§ 1051. Findings and purpose

(a) Findings

The Congress finds that—

(1) there are a significant number of institutions of higher education serving high percentages of minority students and students from low-income backgrounds, that face problems that threaten their ability to survive;

(2) the problems relate to the management and fiscal operations of certain institutions of higher education, as well as to an inability to engage in long-range planning and development activities, including endowment building;

(3) in order to be competitive and provide a high-quality education for all, institutions of higher education should improve their technological capacity and make effective use of technology;

(4) the subchapter III program prior to 1985 did not always meet the specific development needs of historically Black colleges and universities and other institutions with large concentrations of minority, low-income students;

(5) the solution of the problems of these institutions would enable them to become viable, fiscally stable and independent, thriving institutions of higher education;

(6) providing assistance to eligible institutions will enhance the role of such institutions in providing access and quality education to low-income and minority students;

(7) these institutions play an important role in the American system of higher education, and there is a strong national interest in assisting them in solving their problems and in stabilizing their management and fiscal operations, and in becoming financially independent; and

(8) there is a particular national interest in aiding those institutions of higher education that have historically served students who have been denied access to postsecondary education because of race or national origin and