1298, related to establishment of challenge grant program, was classified to section 1064 of this title prior to repeal by Pub. L. 102–325, § 304(a)(2).

A prior section 1065, Pub. L. 89–329, title III, § 332, as added Pub. L. 96–374, title III, § 301, Oct. 3, 1980, 94 Stat. 1396, related to applications for challenge grants, prior to the general revision of this subchapter by Pub. L. 99–498.

Another prior section 1065, Pub. L. 89–329, title IV, § 405, Nov. 8, 1965, 79 Stat. 1234; Pub. L. 90–575, title I, § 101(b)(2), Oct. 16, 1968, 82 Stat. 1017, related to allotment and reallotment of funds among the States, prior to the general revision of part A of subchapter IV of this chapter by Pub. L. 92–318, title I, § 131(b)(1), June 23, 1972, 86 Stat. 247.

A prior section 1065a, Pub. L. 89–329, title III, § 333, as added Pub. L. 98–95, § 2, Sept. 26, 1983, 97 Stat. 708, established program of matching grants to increase endowments at eligible institutions of higher education, prior to the general revision of this subchapter by Pub. L. 99–498.

AMENDMENTS

2008—Subsec. (b)(2)(B)(i). Pub. L. 110–315, § 313(a)(1), substituted ''$1,000,000'' for ''$500,000''.

Subsec. (b)(5). Pub. L. 110–315, § 313(a)(2), substituted ''$100,000'' for ''$50,000''.

Subsec. (i). Pub. L. 110–315, § 313(b), added subsec. (i).

1998—Subsec. (b)(1). Pub. L. 105–244, § 305(1), substituted ''section 1068h'' for ''section 1069f''.

Subsec. (b)(2)(B), (C). Pub. L. 105–244, § 305(2), added subpars. (B) and (C) and struck out former subpars. (B) and (C) which authorized Secretary to make grants under this part to eligible institutions in amounts which varied depending on amount appropriated in each fiscal year to carry out this part and limited rights of institutions to reapply for grants when amount appropriated was below specified amounts.

1993—Subsecs. (a)(2)(D), (b)(2)(B), (C), (5). Pub. L. 103–208 realigned margins and in subsec. (b)(5) substituted ''An endowment'' for ''an endowment''.

1992—Subsec. (a)(1). Pub. L. 102–325, § 304(b)(1)(A), struck out ''of higher education'' after ''eligible institutions''.

Subsec. (a)(2)(D). Pub. L. 102–325, § 304(b)(1)(B), added subpar. (D).

Subsec. (b)(1). Pub. L. 102–325, § 304(b)(2), inserted ''endowment'' before ''challenge grants'' and struck out ''of higher education'' after ''eligible institutions''.

Subsec. (b)(2)(B), (C). Pub. L. 102–325, § 304(b)(3), amended subpars. (B) and (C) generally. Prior to amendment, subpars. (B) and (C) read as follows:

''(B) In any fiscal year in which the appropriations for this part exceeds $10,000,000, the Secretary may make a grant under this part to an eligible institution of higher education if such institution—

''(i) has deposited in its endowment fund established under this section an amount which is equal to one-half of the amount of such grant; and

''(ii) applies for a grant in an amount exceeding $1,000,000.

''(C) An eligible institution of higher education that is awarded a grant under this section shall not be eligible to reapply for a grant under this section during the 10 years immediately following the period that it received such grant.''

Subsec. (b)(4)(A). Pub. L. 102–325, § 304(b)(4), substituted ''subsection (a)(2)(D) of this section'' for ''section 1064(a)(1) of this title''.

Subsec. (b)(4)(B). Pub. L. 102–325, § 304(b)(5), substituted ''an endowment challenge grant'' for ''a challenge grant''.

Subsec. (b)(5). Pub. L. 102–325, § 304(b)(6), amended par. (5) generally. Prior to amendment, par. (5) read as follows: ''Except as provided in paragraph (2)(B), a challenge grant under this section to an eligible institution year shall—

''(A) not be less than $50,000 for any fiscal year; and

''(B) not be more than (i) $250,000 for fiscal year 1987; or (ii) $500,000 for fiscal year 1988 or any succeeding fiscal year.''

Subsec. (f)(1). Pub. L. 102–325, § 304(b)(7), amended par. (1) generally. Prior to amendment, par. (1) read as follows: ''give priority to an applicant which is a recipient of a grant made under part A or B of this subchapter (or section 1069a of this title) during the academic year in which the applicant is applying for a grant under this section;''.

Subsec. (g). Pub. L. 102–325, § 304(b)(8), inserted '', including a description of the long- and short-term plans for raising and using the funds under this part'' before period at end of first sentence.

1987—Subsec. (f)(1). Pub. L. 100–50 inserted ''(or section 1069a of this title)''.

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105–244 effective Oct. 1, 1998, except as otherwise provided in Pub. L. 105–244, see section 3 of Pub. L. 105–244, set out as a note under section 1001 of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–208 effective as if included in the Higher Education Amendments of 1992, Pub. L. 102–325, except as otherwise provided, see section 5(a) of Pub. L. 103–208, set out as a note under section 1051 of this title.

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102–325 effective Oct. 1, 1992, see section 2 of Pub. L. 102–325, set out as a note under section 1001 of this title.

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100–50 effective as if enacted as part of the Higher Education Amendments of 1986, Pub. L. 99–498, see section 27 of Pub. L. 100–50, set out as a note under section 1001 of this title.

PART D—HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING

CODIFICATION

Pub. L. 105–244, title III, § 301(a)(3), Oct. 7, 1998, 112 Stat. 1636, redesignated part B of subchapter VII of this chapter as part D of subchapter III of this chapter.

PRIOR PROVISIONS

A prior part D, consisting of sections 1066 to 1069, 1069b to 1069d, and 1069f, was redesignated part F (§ 1068 et seq.) of this subchapter by Pub. L. 105–244, title III, § 301(a)(1), Oct. 7, 1998, 112 Stat. 1636.

§ 1066. Findings

The Congress finds that—

(1) a significant part of the Federal mission in education has been to attain equal opportunity in higher education for low-income, educationally disadvantaged Americans and African Americans;

(2) the Nation's historically Black colleges and universities have played a prominent role in American history and have an unparalleled record of fostering the development of African American youth by recognizing their potential, enhancing their academic and technical skills, and honing their social and political skills through higher education;

(3) the academic and residential facilities on the campuses of all historically Black colleges and universities have suffered from neglect, deferred maintenance and are in need of capital improvements in order to provide appropriate settings for learning and social development through higher education;

(4) due to their small enrollments, limited endowments and other financial factors nor-

mally considered by lenders in construction financing, historically Black colleges and universities often lack access to the sources of funding necessary to undertake the necessary capital improvements through borrowing and bond financing;

(5) despite their track record of long-standing and remarkable institutional longevity and viability, historically Black colleges and universities often lack the financial resources necessary to gain access to traditional sources of capital financing such as bank loans and bond financing; and

(6) Federal assistance to facilitate low-cost capital basis for historically Black colleges and universities will enable such colleges and universities to continue and expand their educational mission and enhance their significant role in American higher education.

(Pub. L. 89–329, title III, § 341, formerly title VII, § 721, as added Pub. L. 102–325, title VII, § 704, July 23, 1992, 106 Stat. 741; renumbered title III, § 341, Pub. L. 105–244, title III, § 301(a)(3), (4), Oct. 7, 1998, 112 Stat. 1636.)

CODIFICATION

Section was formerly classified to section 1132c of this title prior to renumbering by Pub. L. 105–244.

PRIOR PROVISIONS

A prior section 1066, Pub. L. 89–329, title III, § 351, as added Pub. L. 99–498, title III, § 301(a), Oct. 17, 1986, 100 Stat. 1302, and amended, which related to applications for assistance under this subchapter, was renumbered section 391 of Pub. L. 89–329 by Pub. L. 105–244, title III, § 301(a)(2), Oct. 7, 1998, 112 Stat. 1636, and transferred to section 1068 of this title.

Another prior section 1066, Pub. L. 89–329, title III, § 341, as added Pub. L. 96–374, title III, § 301, Oct. 3, 1980, 94 Stat. 1396, related to applications for assistance, prior to the general amendment of this subchapter by Pub. L. 99–498.

Another prior section 1066, Pub. L. 89–329, title IV, § 406, Nov. 8, 1965, 79 Stat. 1234; Pub. L. 90–575, title I, § 101(b)(2), Oct. 16, 1968, 82 Stat. 1017, related to allocation of allotted funds to institutions, filing dates for application, criteria for making allocations, additional allocations and payments, prior to the general amendment of part A of subchapter IV of this chapter by Pub. L. 92–318, title I, § 131(b)(1), June 23, 1972, 86 Stat. 247.

EFFECTIVE DATE

Part effective Oct. 1, 1992, see section 2 of Pub. L. 102–325, set out as an Effective Date of 1992 Amendment note under section 1001 of this title.

§ 1066a. Definitions

For the purposes of this part:

(1) The term ''eligible institution'' means a ''part B institution'' as that term is defined in section 1061(2) of this title.

(2) The term ''loan'' means a loan made to an eligible institution under the provisions of this part and pursuant to an agreement with the Secretary.

(3) The term ''qualified bond'' means any obligation issued by the designated bonding authority at the direction of the Secretary, the net proceeds of which are loaned to an eligible institution for the purposes described in section 1066b(b) of this title.

(4) The term ''funding'' means any payment under this part from the Secretary to the eligible institution or its assignee in fulfillment of the insurance obligations of the Secretary pursuant to an agreement under section 1066b of this title.

(5) The term ''capital project'' means, subject to section 1066c(b) of this title, the repair, renovation, or, in exceptional circumstances, the construction or acquisition, of—

(A) any classroom facility, library, laboratory facility, dormitory (including dining facilities) or other facility customarily used by colleges and universities for instructional or research purposes or for housing students, faculty, and staff;

(B) a facility for the administration of an educational program, or a student center or student union, except that not more than 5 percent of the loan proceeds provided under this part may be used for the facility, center or union if the facility, center or union is owned, leased, managed, or operated by a private business, that, in return for such use, makes a payment to the eligible institution;

(C) instructional equipment, technology, research instrumentation, and any capital equipment or fixture related to facilities described in subparagraph (A);

(D) a maintenance, storage, or utility facility that is essential to the operation of a facility, a library, a dormitory, equipment, instrumentation, a fixture, real property or an interest therein, described in this paragraph;

(E) a facility designed to provide primarily outpatient health care for students or faculty;

(F) physical infrastructure essential to support the projects authorized under this paragraph, including roads, sewer and drainage systems, and water, power, lighting, telecommunications, and other utilities;

(G) any other facility, equipment or fixture which is essential to the maintaining of accreditation of the member institution by an accrediting agency or association recognized by the Secretary under subpart 2 of part G of subchapter IV; and

(H) any real property or interest therein underlying facilities described in subparagraph (A) or (G).

(6) The term ''interest'' includes accredited value or any other payment constituting interest on an obligation.

(7) The term ''outstanding'', when used with respect to bonds, shall not include bonds the payment of which shall have been provided for by the irrevocable deposit in trust of obligations maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient moneys to make payments on such bonds.

(8) The term ''designated bonding authority'' means the private, for-profit corporation selected by the Secretary pursuant to section 1066d(1) of this title for the purpose of issuing taxable capital project construction bonds in furtherance of the purposes of this part.

(9) The term ''Advisory Board'' means the Advisory Board established by section 1066f of this title.