

net web sites of appropriate nongovernmental organizations, colleges and universities, and government agencies.

(6) An Internet link to the Better Business Bureau in order to assist individuals in assessing the business practices of other persons and entities.

(7) Information on means of communicating with the Federal Student Aid Information Center, including telephone and Internet contact information.

(Pub. L. 106-420, §5, Nov. 1, 2000, 114 Stat. 1868.)

#### CODIFICATION

Section was enacted as part of the College Scholarship Fraud Prevention Act of 2000, and not as part of title IV of the Higher Education Act of 1965 which comprises this subchapter.

#### FINDINGS

Pub. L. 106-420, §2, Nov. 1, 2000, 114 Stat. 1867, provided that: "Congress makes the following findings:

"(1) A substantial amount of fraud occurs in the offering of college education financial assistance services to consumers.

"(2) Such fraud includes the following:

"(A) Misrepresentations regarding the provision of sources from which consumers may obtain financial assistance (including scholarships, grants, loans, tuition, awards, and other assistance) for purposes of financing a college education.

"(B) Misrepresentations regarding the provision of portfolios of such assistance tailored to the needs of specific consumers.

"(C) Misrepresentations regarding the pre-selection of students as eligible to receive such assistance.

"(D) Misrepresentations that such assistance will be provided to consumers who purchase specified services from specified entities.

"(E) Misrepresentations regarding the business relationships between particular entities and entities that award or may award such assistance.

"(F) Misrepresentations regarding refunds of processing fees if consumers are not provided specified amounts of such assistance, and other misrepresentations regarding refunds.

"(3) In 1996, the Federal Trade Commission launched 'Project Scholarscam', a joint law enforcement and consumer education campaign directed at fraudulent purveyors of so-called 'scholarship services'.

"(4) Despite the efforts of the Federal Trade Commission, colleges and universities, and nongovernmental organizations, the continued lack of awareness about scholarship fraud permits a significant amount of fraudulent activity to occur."

### § 1092e. College access initiative

#### (a) State-by-State information

The Secretary shall direct each guaranty agency with which the Secretary has an agreement under section 1078(c) of this title to provide to the Secretary the information necessary for the development of Internet web links and access for students and families to a comprehensive listing of the postsecondary education opportunities, programs, publications, Internet web sites, and other services available in the States for which such agency serves as the designated guarantor.

#### (b) Guaranty agency activities

##### (1) Plan and activity required

Each guaranty agency with which the Secretary has an agreement under section 1078(c)

of this title shall develop a plan, and undertake the activity necessary, to gather the information required under subsection (a) and to make such information available to the public and to the Secretary in a form and manner as prescribed by the Secretary.

#### (2) Activities

Each guaranty agency shall undertake such activities as are necessary to promote access to postsecondary education for students through providing information on college planning, career preparation, and paying for college. The guaranty agency shall publicize such information and coordinate such activities with other entities that either provide or distribute such information in the States for which such guaranty agency serves as the designated guarantor.

#### (3) Funding

The activities required by this section may be funded from the guaranty agency's Operating Fund established pursuant to section 1072b of this title and, to the extent funds remain, from earnings on the restricted account established pursuant to section 1072(h)(4) of this title.

#### (4) Rule of construction

Nothing in this subsection shall be construed to require a guaranty agency to duplicate any efforts under way on February 8, 2006, that meet the requirements of this section.

#### (c) Access to information

##### (1) Secretary's responsibility

The Secretary shall ensure the availability of the information provided, by the guaranty agencies in accordance with this section, to students, parents, and other interested individuals, through Internet web links or other methods prescribed by the Secretary.

##### (2) Guaranty agency responsibility

The guaranty agencies shall ensure that the information required by this section is available without charge in printed format for students and parents requesting such information.

##### (3) Publicity

Not later than 270 days after February 8, 2006, the Secretary and guaranty agencies shall publicize the availability of the information required by this section, with special emphasis on ensuring that populations that are traditionally underrepresented in postsecondary education are made aware of the availability of such information.

(Pub. L. 89-329, title IV, §485D, as added Pub. L. 109-171, title VIII, §8023, Feb. 8, 2006, 120 Stat. 179.)

#### EFFECTIVE DATE

Section effective July 1, 2006, except as otherwise provided, see section 8001(c) of Pub. L. 109-171, set out as an Effective Date of 2006 Amendment note under section 1002 of this title.

### § 1092f. Early awareness of financial aid eligibility

#### (a) In general

The Secretary shall implement, in cooperation with States, institutions of higher education,

secondary schools, early intervention and outreach programs under this subchapter and part C of subchapter I of chapter 34 of title 42, 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 subsection (b).

**(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 supplemental nutrition assistance program under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.)), or another such benefit program as determined by the Secretary, of such students' potential eligibility for the Federal Pell Grant amount, determined under section 1070a(b)(2)(A) of this title, for which the student would be eligible; and

(B) disseminate such informational materials, that are part of the system described in subsection (a), as the Secretary determines necessary.

**(2) 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 subchapter and part C of subchapter I of chapter 34 of title 42 that serve secondary school students, shall make special efforts to notify students in secondary school and their families, as early as possible but not later than such students' junior year of secondary school, of the availability of financial aid under this subchapter and part C of subchapter I of chapter 34 of title 42 and shall provide non-binding estimates of the amounts of grant and loan aid that an individual may be eligible for under this subchapter and part C of subchapter I of chapter 34 of title 42 upon completion of an application form under section 1090(a) of this title. 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.

**(3) 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 1087vv(d) of this title, with information regarding the availability of financial aid under this title and with nonbinding

estimates of the amounts of grant and loan aid that an individual may be eligible for under this subchapter and part C of subchapter I of chapter 34 of title 42 upon completion of an application form under section 1090(a) of this title. 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 1087vv(d) of this title; and

(C) uses dissemination mechanisms suitable for adult learners.

**(4) Public awareness campaign**

Not later than two years after August 14, 2008, the Secretary, in coordination with States, institutions of higher education, early intervention and outreach programs under this subchapter and part C of subchapter I of chapter 34 of title 42, other agencies and organizations involved in college access and student financial aid, secondary schools, organizations that provide services to individuals that are or were homeless, to individuals in foster care, or to other disconnected individuals, 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 subchapter and part C of subchapter I of chapter 34 of title 42 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 (3).

(Pub. L. 89-329, title IV, § 485E, as added Pub. L. 110-315, title IV, § 490, Aug. 14, 2008, 122 Stat. 3305; amended Pub. L. 111-152, title II, § 2101(b)(5), Mar. 30, 2010, 124 Stat. 1073.)

REFERENCES IN TEXT

The Food and Nutrition Act of 2008, referred to in subsec. (b)(1)(A), is Pub. L. 88-525, Aug. 31, 1964, 78 Stat. 703, which is classified generally to chapter 51 (§ 2011 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of Title 7 and Tables.

AMENDMENTS

2010—Subsec. (b)(1)(A). Pub. L. 111-152 substituted “of such students' potential eligibility for the Federal Pell Grant amount, determined under section 1070a(b)(2)(A) of this title, for which the student would be eligible” for “of such students' potential eligibility for a maximum Federal Pell Grant under subpart 1 of part A”.

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-152 effective July 1, 2010, see section 2101(c) of Pub. L. 111-152, set out as a note under section 1070a of this title.

**§ 1093. Distance education demonstration programs**

**(a) Purpose**

It is the purpose of this section—

(1) to allow demonstration programs that are strictly monitored by the Department of Education to test the quality and viability of expanded distance education programs currently restricted under this chapter and part C of subchapter I of chapter 34 of title 42;

(2) to provide for increased student access to higher education through distance education programs; and

(3) to help determine—

(A) the most effective means of delivering quality education via distance education course offerings;

(B) the specific statutory and regulatory requirements which should be altered to provide greater access to high quality distance education programs; and

(C) the appropriate level of Federal assistance for students enrolled in distance education programs.

**(b) Demonstration programs authorized**

**(1) In general**

In accordance with the provisions of subsection (d) of this section, the Secretary is authorized to select institutions of higher education, systems of such institutions, or consortia of such institutions for voluntary participation in a Distance Education Demonstration Program that provides participating institutions with the ability to offer distance education programs that do not meet all or a portion of the sections or regulations described in paragraph (2).

**(2) Waivers**

The Secretary is authorized to waive for any institution of higher education, system of institutions of higher education, or consortium participating in a Distance Education Demonstration Program, the requirements of section 1087(5) of this title as the section relates to computer costs, sections 1088(a) and 1088(b) of this title as such sections relate to requirements for a minimum number of weeks of instruction, sections 1002(a)(3)(A), 1002(a)(3)(B), and 1091(7)(1) of this title, or one or more of the regulations prescribed under this part or part E of this subchapter which inhibit the operation of quality distance education programs.

**(3) Eligible applicants**

**(A) Eligible institutions**

Except as provided in subparagraphs (B), (C), and (D), only an institution of higher education that is eligible to participate in programs under this subchapter and part C of subchapter I of chapter 34 of title 42 shall be eligible to participate in the demonstration program authorized under this section.

**(B) Prohibition**

An institution of higher education described in section 1002(a)(1)(C) of this title shall not be eligible to participate in the demonstration program authorized under this section.

**(C) Special rule**

Subject to subparagraph (B), an institution of higher education that meets the requirements of subsection (a) of section 1002 of this title, other than the requirement of paragraph (3)(A) or (3)(B) of such subsection, and that provides a 2-year or 4-year program of instruction for which the institution awards an associate or baccalaureate degree, shall be eligible to participate in the demonstration program authorized under this section.

**(D) Requirement**

Notwithstanding any other provision of this paragraph, Western Governors University shall be considered eligible to participate in the demonstration program authorized under this section. In addition to the waivers described in paragraph (2), the Secretary may waive the provisions of subchapter I of this chapter and this part and part G of this subchapter for such university that the Secretary determines to be appropriate because of the unique characteristics of such university. In carrying out the preceding sentence, the Secretary shall ensure that adequate program integrity and accountability measures apply to such university's participation in the demonstration program authorized under this section.

**(c) Application**

**(1) In general**

Each institution, system, or consortium of institutions desiring to participate in a demonstration program under this section shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

**(2) Contents**

Each application shall include—

(A) a description of the institution, system, or consortium's consultation with a recognized accrediting agency or association with respect to quality assurances for the distance education programs to be offered;

(B) a description of the statutory and regulatory requirements described in subsection (b)(2) of this section or, if applicable, subsection (b)(3)(D) of this section for which a waiver is sought and the reasons for which the waiver is sought;

(C) a description of the distance education programs to be offered;

(D) a description of the students to whom distance education programs will be offered;

(E) an assurance that the institution, system, or consortium will offer full cooperation with the ongoing evaluations of the demonstration program provided for in this section; and

(F) such other information as the Secretary may require.

**(d) Selection**

**(1) In general**

For the first year of the demonstration program authorized under this section, the Secretary is authorized to select for participation