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109TH CONGRESS
1ST SESSION

S. 1614

To extend the authorization of programs under the Higher Education Act of 1965, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 6, 2005

Mr. ENZI (for himself and Mr. KENNEDY) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

NOVEMBER 17, 2005

Reported by Mr. ENZI, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To extend the authorization of programs under the Higher Education Act of 1965, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

~~**SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**~~

~~(a) SHORT TITLE.—This Act may be cited as the "Higher Education Amendments of 2005".~~

1 ~~(b) TABLE OF CONTENTS.—The table of contents for~~

2 ~~this Act is as follows:~~

~~Sec. 1. Short title and table of contents.~~
~~Sec. 2. References.~~
~~Sec. 3. General effective date.~~

~~TITLE I—GENERAL PROVISIONS~~

~~Sec. 101. Additional definitions.~~
~~Sec. 102. General definition of institution of higher education.~~
~~Sec. 103. Definition of institution of higher education for purposes of title IV programs.~~
~~Sec. 104. Protection of student speech and association rights.~~
~~Sec. 105. National Advisory Committee on Institutional Quality and Integrity.~~
~~Sec. 106. Drug and alcohol abuse prevention.~~
~~Sec. 107. Prior rights and obligations.~~
~~Sec. 108. Cost of higher education.~~
~~Sec. 109. Performance-based organization for the delivery of Federal student financial assistance.~~
~~Sec. 110. Procurement flexibility.~~

~~TITLE II—TEACHER QUALITY ENHANCEMENT~~

~~Sec. 201. Teacher quality enhancement grants for States and partnerships.~~

~~TITLE III—INSTITUTIONAL AID~~

~~Sec. 301. Program purpose.~~
~~Sec. 302. Definitions; eligibility.~~
~~Sec. 303. American Indian tribally controlled colleges and universities.~~
~~Sec. 304. Alaska native and native Hawaiian-serving institutions.~~
~~Sec. 305. Native American-serving, nontribal institutions.~~
~~Sec. 306. Part B definitions.~~
~~Sec. 307. Grants to institutions.~~
~~Sec. 308. Allotments to institutions.~~
~~Sec. 309. Professional or graduate institutions.~~
~~Sec. 310. Authorization of appropriations.~~
~~Sec. 311. Technical corrections.~~

~~TITLE IV—STUDENT ASSISTANCE~~

~~PART A—GRANTS TO STUDENTS IN ATTENDANCE AT INSTITUTIONS OF HIGHER EDUCATION~~

~~Sec. 401. Federal Pell Grants.~~
~~Sec. 402. Federal trio programs.~~
~~Sec. 403. Gaining early awareness and readiness for undergraduate programs.~~
~~Sec. 404. Academic achievement incentive scholarships.~~
~~Sec. 405. Federal supplemental educational opportunity grants.~~
~~Sec. 406. Leveraging Educational Assistance Partnership Program.~~
~~Sec. 407. Special programs for students whose families are engaged in migrant and seasonal farmwork.~~
~~Sec. 408. Robert C. Byrd Honors Scholarship Program.~~
~~Sec. 409. Child care access means parents in school.~~
~~Sec. 410. Learning anytime anywhere partnerships.~~

~~PART B—FEDERAL FAMILY EDUCATION LOAN PROGRAM~~

~~Sec. 421. Extension of authorities.~~
~~Sec. 422. Federal payments to reduce student interest costs.~~
~~Sec. 423. Federal Consolidation Loans.~~
~~Sec. 424. Default Reduction Program.~~
~~Sec. 425. Reports to credit bureaus and institutions of higher education.~~
~~Sec. 426. Common forms and formats.~~
~~Sec. 427. Student loan information by eligible borrowers.~~
~~Sec. 428. Consumer education information.~~
~~Sec. 429. Definition of eligible lender.~~
~~Sec. 430. 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.~~

~~PART C—FEDERAL WORK-STUDY PROGRAMS~~

~~Sec. 441. Authorization of appropriations.~~
~~Sec. 442. Allowance for books and supplies.~~
~~Sec. 443. Grants for Federal work-study programs.~~
~~Sec. 444. Job location and development programs.~~
~~Sec. 445. Work colleges.~~

~~PART D—WILLIAM D. FORD FEDERAL DIRECT LOAN PROGRAM~~

~~Sec. 451. Funds for administrative expenses.~~

~~PART E—FEDERAL PERKINS LOANS~~

~~Sec. 461. Program authority.~~
~~Sec. 462. Terms of loans.~~
~~Sec. 463. Cancellation of loans for certain public service.~~

~~PART F—NEED ANALYSIS~~

~~Sec. 471. Cost of attendance.~~
~~Sec. 472. Definitions.~~

~~PART G—GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE~~

~~Sec. 481. Definition of academic and award year.~~
~~Sec. 482. Compliance calendar.~~
~~Sec. 483. Forms and regulations.~~
~~Sec. 484. Student eligibility.~~
~~Sec. 485. Statute of limitations and State court judgments.~~
~~Sec. 486. Institutional refunds.~~
~~Sec. 487. Institutional and financial assistance for students.~~
~~Sec. 488. National Student Loan Data System.~~
~~Sec. 489. Early awareness of financial aid eligibility and demonstration program to provide early estimates and early awards of financial aid.~~
~~Sec. 490. College Access Initiative.~~
~~Sec. 491. Program participation agreements.~~
~~Sec. 492. Regulatory relief and improvement.~~
~~Sec. 493. Transfer of allotments.~~
~~Sec. 494. Wage garnishment requirement.~~

~~Sec. 495. Purpose of administrative payments.~~
~~Sec. 496. Advisory Committee on Student Financial Assistance.~~
~~Sec. 497. Regional meetings.~~
~~Sec. 498. Year 2000 requirements at the Department.~~

~~PART H—PROGRAM INTEGRITY~~

~~Sec. 499. Recognition of accrediting agency or association.~~
~~Sec. 499A. Administrative capacity standard.~~
~~Sec. 499B. Program review and data.~~

~~TITLE V—DEVELOPING INSTITUTIONS~~

~~Sec. 501. Definitions.~~
~~Sec. 502. Authorized activities.~~
~~Sec. 503. Duration of grant.~~
~~Sec. 504. Postbaccalaureate opportunities for Hispanic Americans.~~
~~Sec. 505. Applications.~~
~~Sec. 506. Cooperative arrangements.~~
~~Sec. 507. Authorization of appropriations.~~

~~TITLE VI—INTERNATIONAL EDUCATION PROGRAMS~~

~~Sec. 601. Findings.~~
~~Sec. 602. Graduate and undergraduate language and area centers and programs.~~
~~Sec. 603. Undergraduate international studies and foreign language programs.~~
~~Sec. 604. Research, studies.~~
~~Sec. 605. Technological innovation and cooperation for foreign information access.~~
~~Sec. 606. Selection of certain grant recipients.~~
~~Sec. 607. American overseas research centers.~~
~~Sec. 608. Authorization of appropriations for international and foreign language studies.~~
~~Sec. 609. Centers for international business education.~~
~~Sec. 610. Education and training programs.~~
~~Sec. 611. Authorization of appropriations for business and international education programs.~~
~~Sec. 612. Minority foreign service professional development program.~~
~~Sec. 613. Institutional development.~~
~~Sec. 614. Study abroad program.~~
~~Sec. 615. Advanced degree in international relations.~~
~~Sec. 616. Internships.~~
~~Sec. 617. Financial assistance.~~
~~Sec. 618. Report.~~
~~Sec. 619. Gifts and donations.~~
~~Sec. 620. Authorization of appropriations for the Institute for International Public Policy.~~
~~Sec. 621. Definitions.~~
~~Sec. 622. Assessment and enforcement.~~

~~TITLE VII—GRADUATE AND POSTSECONDARY IMPROVEMENT PROGRAMS~~

~~Sec. 701. Purpose.~~
~~Sec. 702. Allocation of Jacob K. Javits Fellowships.~~
~~Sec. 703. Stipends.~~

~~Sec. 704. Authorization of appropriations for the Jacob K. Javits Fellowship Program.~~
~~Sec. 705. Institutional eligibility under the Graduate Assistance in Areas of National Need Program.~~
~~Sec. 706. Awards to graduate students.~~
~~Sec. 707. Additional assistance for cost of education.~~
~~Sec. 708. Authorization of appropriations for the Graduate Assistance in Areas of National Need Program.~~
~~Sec. 709. Authorization of appropriations for the Thurgood Marshall Legal Educational Opportunity Program.~~
~~Sec. 710. Fund for the improvement of postsecondary education.~~
~~Sec. 711. Special projects.~~
~~Sec. 712. Authorization of appropriations for the fund for the improvement of postsecondary education.~~
~~Sec. 713. Authorization of appropriations for the urban community service program.~~
~~Sec. 714. Grants authorized for demonstration projects to ensure students with disabilities receive a quality higher education.~~
~~Sec. 715. Applications for demonstration projects to ensure students with disabilities receive a quality higher education.~~
~~Sec. 716. Authorization of appropriations for the demonstration projects to ensure students with disabilities receive a quality higher education.~~

~~TITLE VIII—MISCELLANEOUS~~

~~Sec. 801. Mathematics and Science Scholars Program.~~

~~TITLE IX—AMENDMENTS TO OTHER LAWS~~

~~PART A—EDUCATION OF THE DEAF ACT OF 1986~~

~~Sec. 901. Laurent Clerc National Deaf Education Center.~~
~~Sec. 902. Agreement with Gallaudet University.~~
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~~Sec. 904. Cultural experiences grants.~~
~~Sec. 905. Audit.~~
~~Sec. 906. Reports.~~
~~Sec. 907. Monitoring, evaluation, and reporting.~~
~~Sec. 908. Liaison for educational programs.~~
~~Sec. 909. Federal endowment programs for Gallaudet University and the National Technical Institute for the Deaf.~~
~~Sec. 910. Oversight and effect of agreements.~~
~~Sec. 911. International students.~~
~~Sec. 912. Research priorities.~~
~~Sec. 913. Authorization of appropriations.~~

~~PART B—UNITED STATES INSTITUTE OF PEACE ACT~~

~~Sec. 921. United States Institute of Peace Act.~~

~~PART C—THE HIGHER EDUCATION AMENDMENTS OF 1998~~

~~Sec. 931. Repeals.~~
~~Sec. 932. Grants to States for workplace and community transition training for incarcerated youth offenders.~~

~~PART D—INDIAN EDUCATION~~

~~SUBPART 1—TRIBAL COLLEGES AND UNIVERSITIES~~

~~Sec. 941. Tribally Controlled College and University Assistance.~~

~~SUBPART 2—NAVAJO HIGHER EDUCATION~~

~~Sec. 945. Short title.~~
~~Sec. 946. Reauthorization of the Navajo Community College Act.~~

~~TITLE X—RECONCILIATION~~

~~Sec. 1001. Provisional grant assistance program.~~
~~Sec. 1002. National SMART grants.~~
~~Sec. 1003. Loan limits.~~
~~Sec. 1004. PLUS loan interest rates and zero special allowance payment.~~
~~Sec. 1005. Reduction of lender insurance reimbursement rates.~~
~~Sec. 1006. Guaranty agency origination fee.~~
~~Sec. 1007. Deferment of student loans for military service.~~
~~Sec. 1008. Rehabilitation through consolidation.~~
~~Sec. 1009. Single holder rule.~~
~~Sec. 1010. Default Reduction Program.~~
~~Sec. 1011. Requirements for disbursements of student loans.~~
~~Sec. 1012. Special insurance and reinsurance rules.~~
~~Sec. 1013. School as lender moratorium.~~
~~Sec. 1014. Permanent reduction of special allowance payments for loans from the proceeds of tax exempt issues.~~
~~Sec. 1015. Loan fees from lenders.~~
~~Sec. 1016. Origination fee.~~
~~Sec. 1017. Income contingent repayment for public sector employees.~~
~~Sec. 1018. Income protection allowance for dependent students.~~
~~Sec. 1019. Simplified need test and automatic zero improvements.~~
~~Sec. 1020. Loan forgiveness for teachers.~~

~~SEC. 2. REFERENCES.~~

~~Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).~~

~~SEC. 3. GENERAL EFFECTIVE DATE.~~

~~Except as otherwise provided in this Act or the amendments made by this Act, the amendments made by this Act shall take effect on July 1, 2006.~~

~~TITLE I—GENERAL PROVISIONS~~

~~SEC. 101. ADDITIONAL DEFINITIONS.~~

~~(a) AMENDMENT.—Section 103 (20 U.S.C. 1003) is amended—~~

~~(1) by redesignating paragraphs (1) through (16) as paragraphs (2) through (17), respectively; and~~

~~(2) by inserting before paragraph (2) (as redesignated by paragraph (1)) the following:~~

~~"(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 the Workforce of the House of Representatives.".~~

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

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

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

~~(3) in section 206 (20 U.S.C. 1026)—~~

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

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

~~(4) in section 207(c)(1) (20 U.S.C. 1027(c)(1)), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees";~~

~~(5) in section 401(f)(3) (20 U.S.C. 1070a(f)(3)), by striking "to the Committee on Appropriations" and all that follows through "House of Representatives" and inserting "to the Committee on Appropriations of the Senate, the Committee on Appropriations of the House of Representatives, and the authorizing committees";~~

~~(6) in section 428 (20 U.S.C. 1078)—~~

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

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

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

~~(7) in section 428A (20 U.S.C. 1078–1)—~~

~~(A) in the matter preceding subparagraph (A) of subsection (a)(4), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees"; and~~

~~(B) in subsection (c)—~~

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

~~(ii) in paragraph (3), by striking "Chairperson" and all that follows through "House of Representatives" and inserting "Chairpersons and Ranking Members of the authorizing committees"; and~~

~~(iii) in paragraph (5), by striking "Chairperson" and all that follows through "House of Representatives" and inserting "Chairpersons and Ranking Members of the authorizing committees";~~

~~(8) in the matter preceding paragraph (1) of section 428I(h) (20 U.S.C. 1078–9(h)), by striking~~

~~"Chairman" and all that follows through "Education and Labor" and inserting "Chairpersons of the authorizing committees";~~

~~(9) in section 432 (20 U.S.C. 1082)—~~

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

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

~~(10) in section 437(c)(1) (20 U.S.C. 1087(c)(1)), by striking "Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate" and inserting "authorizing committees";~~

~~(11) in section 439 (20 U.S.C. 1087–2)—~~

~~(A) in subsection (d)(1)(E)(iii), by striking "advise the Chairman" and all that follows~~

~~through "House of Representatives" and inserting "advise the Chairpersons and Ranking Members of the authorizing committees";~~

~~(B) in subsection (r)—~~

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

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

~~(iii) in paragraph (6)(B)—~~

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

~~(II) by striking "Chairmen and ranking minority members of such~~

~~Committees'' and inserting ''Chairpersons and Ranking Members of the authorizing committees'';~~

~~(iv) in paragraph (8)(C), by striking ''implemented to the Chairman'' and all that follows through ''House of Representatives, and'' and inserting ''implemented to the Chairpersons and Ranking Members of the authorizing committees, and to''; and~~

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

~~(C) in subsection (s)(2)—~~

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

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

~~(12) in section 455(b)(8)(B) (20 U.S.C. 1087e(b)(8)(B)), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees";~~

~~(13) in section 482(d) (20 U.S.C. 1089(d)), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives" and inserting "authorizing committees";~~

~~(14) in section 483(c) (20 U.S.C. 1090(c)), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees";~~

~~(15) in section 485 (20 U.S.C. 1092)—~~

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

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

~~(16) in section 486 (20 U.S.C. 1093)—~~

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

~~(B) in subsection (f)(3)—~~

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

~~Representatives'' and inserting ''authorizing committees''; and~~

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

~~(17) in section 487A (20 U.S.C. 1094a)—~~

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

~~(B) in subsection (b)(3)(B), in the matter preceding clause (i)—~~

~~(i) by striking ''Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives'' and inserting ''authorizing committees''; and~~

~~(ii) by striking "such Committees" and inserting "the authorizing committees";~~

~~(18) in section 493A(a)(5) (20 U.S.C. 1098c(a)(5)), by striking "Chairperson of the Committee on Labor and Human Resources of the Senate and the Chairperson of the Committee on Education and the Workforce of the House of Representatives" and inserting "Chairpersons of the authorizing committees"; and~~

~~(19) in section 498B(d) (20 U.S.C. 1099c–2(d))—~~

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

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

~~SEC. 102. GENERAL DEFINITION OF INSTITUTION OF HIGHER EDUCATION.~~

~~Section 101 (20 U.S.C. 1001) is amended—~~

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

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

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

~~"(A) who meet the requirements of section 484(d)(3);~~

~~"(B) who are beyond the age of compulsory school attendance in the State in which the institution is located; or~~

~~"(C) who will be dually or concurrently enrolled in such institution and a secondary school.".~~

~~SEC. 103. DEFINITION OF INSTITUTION OF HIGHER EDUCATION FOR PURPOSES OF TITLE IV PROGRAMS.~~

~~Section 102 (20 U.S.C. 1002) is amended—~~

~~(1) in subsection (a)—~~

~~(A) by striking paragraph (2)(A)(i) and inserting the following:~~

~~"(i) in the case of a graduate medical school located outside the United States—~~

~~"(I) at least 60 percent of those enrolled in, and at least 60 percent of the graduates of, the graduate medical school outside the United States were not persons described in section 484(a)(5) in the year preceding the year for which a student is seeking a loan under part B of title IV; and~~

~~"(II) at least 60 percent of the individuals who were students or graduates of the graduate medical school outside the United States or Canada (both nationals of the United States and others) taking the examinations administered by the Educational Commission for Foreign Medical Graduates received a passing score in the year preceding the year for which a student is seeking a loan under part B of title IV; or";~~

~~(B) by striking paragraph (3) and inserting the following:~~

~~"(3) LIMITATIONS BASED ON ENROLLMENT.—An institution shall not be considered to meet the definition of an institution of higher education in paragraph (1) if such institution—~~

~~"(A) has a student enrollment in which more than 25 percent of the students are incarcerated, except that the Secretary may waive the limitation contained in this subparagraph for a nonprofit institution that provides a 2- or 4-year program of instruction (or both) for which the institution awards a bachelor's degree, or an associate's degree or a postsecondary diploma, respectively; or~~

~~"(B) has a student enrollment in which more than 50 percent of the students do not have a secondary school diploma or its recognized equivalent, and does not provide a 2- or 4-year program of instruction (or both) for which the institution awards a bachelor's degree or an associate's degree, respectively, except that the Secretary may waive the limitation contained in this subparagraph if a nonprofit institution demonstrates to the satisfaction of~~

~~the Secretary that the institution exceeds such limitation because the institution serves, through contracts with Federal, State, or local government agencies, significant numbers of students who do not have a secondary school diploma or its recognized equivalent.'';~~

~~(C) by redesignating paragraphs (4), (5), and (6), as paragraphs (5), (6), and (7), respectively; and~~

~~(D) by inserting after paragraph (3) the following:~~

~~''(4) LIMITATIONS BASED ON MODE OF DELIVERY.—~~

~~''(A) IN GENERAL.—An institution shall not be considered to meet the definition of an institution of higher education in paragraph (1) if such institution—~~

~~''(i) offers more than 50 percent of such institution's courses by correspondence, unless the institution is an institution that meets the definition in section 3(3)(C) of the Carl D. Perkins Vocational and Technical Education Act of 1998; or~~

~~''(ii) enrolls 50 percent or more of the institution's students in correspondence~~

courses, unless the institution is an institution that meets the definition in such section 3(3)(C), except that the Secretary, at the request of such institution, may waive the applicability of this subparagraph to such institution for good cause, as determined by the Secretary in the case of an institution of higher education that provides a 2- or 4-year program of instruction (or both) for which the institution awards an associate or baccalaureate degree, respectively.

"(B) DISTANCE EDUCATION PROGRAM ELIGIBILITY.—Notwithstanding subparagraph (A), an institution of higher education, other than a foreign institution, that offers education or training programs principally through distance education shall be considered to meet the definition of an institution of higher education in paragraph (1) if such institution—

"(i) has been evaluated and determined (before or after the date of enactment of the Higher Education Amendments of 2005) to have capability to effectively deliver distance education programs

~~by an accrediting agency or association that—~~

~~"(I) is recognized by the Secretary under title IV; and~~

~~"(II) has evaluation of distance education programs within the scope of its recognition, as described in section 496(n)(3);~~

~~"(ii) is otherwise eligible to participate in programs authorized under title IV;~~

~~"(iii) has not had its participation in programs under title IV suspended or terminated within the 5 years preceding the year for which the determination is made;~~

~~"(iv) has not had, or failed to resolve, an audit finding or program review finding under this Act during the 2 years preceding the year for which the determination is made that, following any appeal to the Secretary, resulted in the institution being required to repay an amount that is equal to or greater than 25 percent of the total funds the institution received under the programs authorized under title IV for the most recent award year; and~~

1 ~~"(v) has met the requirements of sec-~~
2 ~~tion 487(d), if applicable.~~
3 ~~"(C) DEFINITION.—~~
4 ~~"(i) IN GENERAL.—In this Act, except~~
5 ~~as otherwise provided, the term 'distance~~
6 ~~education' means a course or program that~~
7 ~~uses 1 or more of the technologies de-~~
8 ~~scribed in clause (ii) to—~~
9 ~~"(I) deliver instruction to stu-~~
10 ~~dents who are separated from the in-~~
11 ~~structor; and~~
12 ~~"(II) support regular and sub-~~
13 ~~stantive interaction between the stu-~~
14 ~~dents and the instructor, either syn-~~
15 ~~chronously or asynchronously.~~
16 ~~"(ii) INCLUSIONS.—For the purposes~~
17 ~~of clause (i), the technologies used may in-~~
18 ~~clude—~~
19 ~~"(I) the Internet;~~
20 ~~"(II) one-way and two-way trans-~~
21 ~~missions through open broadcast,~~
22 ~~closed circuit, cable, microwave,~~
23 ~~broadband lines, fiber optics, satellite,~~
24 ~~or wireless communications devices;~~
25 ~~"(III) audio conferencing; or~~

1 ~~"(IV) video cassette, DVDs, and~~
2 ~~CD–ROMs, provided that they are~~
3 ~~used in a course in conjunction with~~
4 ~~the technologies listed in subclauses~~
5 ~~(I) through (III)."; and~~
6 ~~(2) in subsection (b)(1)—~~
7 ~~(A) in subparagraph (D), by inserting~~
8 ~~"and" after the semicolon;~~
9 ~~(B) in subparagraph (E), by striking ";~~
10 ~~and" and inserting a period; and~~
11 ~~(C) by striking subparagraph (F).~~
12 **~~SEC. 104. PROTECTION OF STUDENT SPEECH AND ASSOCIA-~~**
13 **~~TION RIGHTS.~~**
14 ~~Section 112 (20 U.S.C. 1011a) is amended—~~
15 ~~(1) in subsection (a)—~~
16 ~~(A) by inserting "(1)" before "It is the~~
17 ~~sense"; and~~
18 ~~(B) by adding at the end the following:~~
19 ~~"(2) It is the sense of Congress that—~~
20 ~~"(A) the diversity of institutions and edu-~~
21 ~~cational missions is one of the key strengths of~~
22 ~~American higher education;~~
23 ~~"(B) individual colleges and universities have~~
24 ~~different missions and each institution should design~~

~~its academic program in accordance with its educational goals;~~

~~"(C) within the context of institutional mission, a college should facilitate the free and open exchange of ideas;~~

~~"(D) students should not be intimated, 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."; and~~

~~(2) in subsection (b)(1), by inserting ", provided that the imposition of such sanction is done objectively and fairly" after "higher education".~~

~~SEC. 105. NATIONAL ADVISORY COMMITTEE ON INSTITUTIONAL QUALITY AND INTEGRITY.~~

~~Section 114(g) (20 U.S.C. 1011c(g)) is amended by striking "September 30, 2004" and inserting "September 30, 2011".~~

~~SEC. 106. DRUG AND ALCOHOL ABUSE PREVENTION.~~

~~Section 120 (20 U.S.C. 1011i) is amended by striking subsections (e) and (f) and inserting the following:~~

1 ~~"(e) GRANTS DIRECTED AT REDUCING HIGHER~~
2 ~~EDUCATION DRUG AND ALCOHOL ABUSE.—~~
3 ~~"(1) AUTHORIZATION OF PROGRAM.—The Sec-~~
4 ~~retary may award grants to eligible entities to enable~~
5 ~~the entities to reduce the rate of drug abuse, under-~~
6 ~~age alcohol use, and binge drinking among students~~
7 ~~at institutions of higher education.~~
8 ~~"(2) APPLICATIONS.—An eligible entity that de-~~
9 ~~sires to receive a grant under this subsection shall~~
10 ~~submit an application to the Secretary at such time,~~
11 ~~in such manner, and accompanied by such informa-~~
12 ~~tion as the Secretary may require. Each application~~
13 ~~shall include—~~
14 ~~"(A) a description of how the eligible enti-~~
15 ~~ty will work to enhance an existing, or where~~
16 ~~none exists to build a, statewide coalition;~~
17 ~~"(B) a description of how the eligible enti-~~
18 ~~ty will target underage students in the State;~~
19 ~~"(C) a description of how the eligible enti-~~
20 ~~ty intends to ensure that the statewide coalition~~
21 ~~is actually implementing the purpose described~~
22 ~~in paragraph (1) and moving toward the~~
23 ~~achievement indicators described in paragraph~~
24 ~~(4);~~

1 ~~"(D) a list of the members of the statewide~~
2 ~~coalition or interested parties involved in the~~
3 ~~work of the eligible entity;~~
4 ~~"(E) a description of how the eligible enti-~~
5 ~~ty intends to work with State agencies on sub-~~
6 ~~stance abuse prevention and education;~~
7 ~~"(F) the anticipated impact of funds pro-~~
8 ~~vided under this subsection in reducing the~~
9 ~~rates of drug abuse and underage alcohol use;~~
10 ~~"(G) outreach strategies, including ways in~~
11 ~~which the eligible entity proposes to—~~
12 ~~"(i) reach out to students;~~
13 ~~"(ii) promote the purpose described in~~
14 ~~paragraph (1);~~
15 ~~"(iii) address the range of needs of~~
16 ~~the students and the surrounding commu-~~
17 ~~nities; and~~
18 ~~"(iv) address community norms for~~
19 ~~underage students regarding drug abuse~~
20 ~~and alcohol use; and~~
21 ~~"(H) such additional information as re-~~
22 ~~quired by the Secretary.~~
23 ~~"(3) USES OF FUNDS.—Each eligible entity~~
24 ~~that receives a grant under this subsection shall use~~
25 ~~the grant funds to carry out the activities described~~

~~in such entity's application submitted pursuant to paragraph (2).~~

~~"(4) ACCOUNTABILITY.—On the date on which the Secretary first publishes a notice in the Federal Register soliciting applications for grants under this subsection, the Secretary shall include in the notice achievement indicators for the program authorized under this subsection. The achievement indicators shall be designed—~~

~~"(A) to measure the impact that the statewide coalitions assisted under this subsection are having on the institutions of higher education and the surrounding communities, including changes in the number of alcohol and drug-related abuse incidents of any kind (including violations, physical assaults, sexual assaults, reports of intimidation, disruptions of school functions, disruptions of student studies, mental health referrals, illnesses, or deaths);~~

~~"(B) to measure the quality and accessibility of the programs or information offered by the statewide coalitions; and~~

~~"(C) to provide such other measures of program impact as the Secretary determines appropriate.~~

1 ~~"(5) SUPPLEMENT NOT SUPPLANT.—Grant~~
2 ~~funds provided under this subsection shall be used to~~
3 ~~supplement, and not supplant, Federal and non-Fed-~~
4 ~~eral funds available for carrying out the activities~~
5 ~~described in this subsection.~~
6 ~~"(6) DEFINITIONS.—In this subsection:~~
7 ~~"(A) ELIGIBLE ENTITY.—The term 'eligi-~~
8 ~~ble entity' means a State, an institution of~~
9 ~~higher education, or a nonprofit entity.~~
10 ~~"(B) INSTITUTION OF HIGHER EDU-~~
11 ~~CATION.—The term 'institution of higher edu-~~
12 ~~cation' has the meaning given the term in sec-~~
13 ~~tion 101(a).~~
14 ~~"(C) STATE.—The term 'State' means~~
15 ~~each of the 50 States, the District of Columbia,~~
16 ~~and the Commonwealth of Puerto Rico.~~
17 ~~"(D) STATEWIDE COALITION.—The term~~
18 ~~'statewide coalition' means a coalition that—~~
19 ~~"(i) includes—~~
20 ~~"(I) institutions of higher edu-~~
21 ~~cation within a State; and~~
22 ~~"(II) a nonprofit group, a com-~~
23 ~~munity drug abuse or underage drink-~~
24 ~~ing prevention coalition, or another~~

~~substance abuse prevention group within a State; and~~

~~"(ii) works toward lowering the alcohol abuse rate by targeting underage students at institutions of higher education throughout the State and in the surrounding communities.~~

~~"(E) SURROUNDING COMMUNITY.—The term 'surrounding community' means the community—~~

~~"(i) that surrounds an institution of higher education participating in a statewide coalition;~~

~~"(ii) where the students from the institution of higher education take part in the community; and~~

~~"(iii) where students from the institution of higher education live in off-campus housing.~~

~~"(7) ADMINISTRATIVE EXPENSES.—Not more than 5 percent of a grant awarded under this subsection may be expended for administrative expenses.~~

~~"(8) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out~~

~~this subsection such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.''.~~

~~SEC. 107. PRIOR RIGHTS AND OBLIGATIONS.~~

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

~~(1) in paragraph (1), by striking ''1999'' and inserting ''2006''; and~~

~~(2) in paragraph (2), by striking ''1999'' and inserting ''2006''.~~

~~SEC. 108. COST OF HIGHER EDUCATION.~~

~~Section 131 (20 U.S.C. 1015) is amended—~~

~~(1) by striking subsection (b) and inserting the following:~~

~~''(b) COLLEGE CONSUMER INFORMATION.—~~

~~''(1) IN GENERAL.—The Secretary shall make available to the public, on an annual basis, the information described in paragraph (2), in a form that enables the public to compare the information among institutions of higher education. Such information shall be made available for each of the categories described in paragraph (3) and updated regularly.~~

~~''(2) INFORMATION.—The information described in this paragraph is the following:~~

~~"(A) Tuition and fees for a full-time undergraduate student.~~

~~"(B) Cost of attendance for a full-time undergraduate student.~~

~~"(C) The average annual cost of attendance for a full-time undergraduate student for the 10 academic years preceding the year for which the information is made available under this subsection, or if data are not available for such 10 preceding academic years, data for as many of such 10 preceding academic years as are available.~~

~~"(D) The percentage of full-time undergraduate students receiving financial assistance, including—~~

~~"(i) Federal grants;~~

~~"(ii) State and local grants;~~

~~"(iii) institutional grants; and~~

~~"(iv) loans to students.~~

~~"(E) The percentage of students successfully transferring academic credit from another institution of higher education.~~

~~"(F) Information regarding students who have completed an undergraduate certificate or~~

~~degree program and who are placed in employment.~~

~~"(G) Information regarding students who have completed an undergraduate degree and who enroll in graduate education.~~

~~"(H) A ranking of the dollar and percentage increases in tuition for all institutions of higher education for which data are available, disaggregated by quartiles.~~

~~"(3) CATEGORIES.—The categories described in this paragraph are as follows:~~

~~"(A) All institutions of higher education.~~

~~"(B) 4-year public, degree-granting, institutions of higher education.~~

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

~~"(D) 4-year, nonprofit, private, degree-granting institutions of higher education.~~

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

~~"(F) 4-year, for-profit, private, degree-granting institutions of higher education.~~

~~"(G) 2-year, for-profit, private, degree-granting institutions of higher education.~~

1 ~~"(4) STANDARD DEFINITIONS.—In carrying out~~
2 ~~this section, the Secretary shall use the standard~~
3 ~~definitions developed under subsection (a)(3)."; and~~
4 ~~(2) in subsection (c)—~~
5 ~~(A) in paragraph (1), by inserting "be con-~~
6 ~~ducted on an annual basis and" after "Such~~
7 ~~study shall";~~
8 ~~(B) in paragraph (2)—~~
9 ~~(i) in subparagraph (B), by striking~~
10 ~~"and" after the semicolon;~~
11 ~~(ii) in subparagraph (C), by striking~~
12 ~~the period and inserting a semicolon; and~~
13 ~~(iii) by adding at the end the fol-~~
14 ~~lowing:~~
15 ~~"(D) the average cost of attending an in-~~
16 ~~stitution of higher education, disaggregated by~~
17 ~~category, as described in subsection (b)(3), of~~
18 ~~institution of higher education;~~
19 ~~"(E) the average annual cost of attending~~
20 ~~an institution of higher education for the 10~~
21 ~~academic years preceding the year for which the~~
22 ~~study is conducted (if available), disaggregated~~
23 ~~by category, as described in subsection (b)(3),~~
24 ~~of institution of higher education; and~~

1 ~~"(F) the assistance provided to institutions~~
2 ~~of higher education by each State, which infor-~~
3 ~~mation the Secretary shall make available to~~
4 ~~the public.";~~
5 ~~(C) in paragraph (3)—~~
6 ~~(i) in the paragraph heading, by strik-~~
7 ~~ing "FINAL" and inserting "ANNUAL";~~
8 ~~(ii) by striking "a report" and insert-~~
9 ~~ing "an annual report"; and~~
10 ~~(iii) by striking "not later than Sep-~~
11 ~~tember 30, 2002"; and~~
12 ~~(D) by striking paragraph (4) and insert-~~
13 ~~ing the following:~~
14 ~~"(4) HIGHER EDUCATION COST INDEX.—The~~
15 ~~Bureau of Labor Statistics, in consultation with the~~
16 ~~Commissioner of Education Statistics, shall develop~~
17 ~~a higher education cost index that tracks inflation~~
18 ~~changes in the relevant costs associated with higher~~
19 ~~education.".~~
20 ~~**SEC. 109. PERFORMANCE-BASED ORGANIZATION FOR THE**~~
21 ~~**DELIVERY OF FEDERAL STUDENT FINANCIAL**~~
22 ~~**ASSISTANCE.**~~
23 ~~Section 141 (20 U.S.C. 1018) is amended—~~
24 ~~(1) in subsection (a)—~~

~~(A) in paragraph (1), by striking "operational" and inserting "administrative and oversight"; and~~

~~(B) in paragraph (2)(D), by striking "of the operational functions" and inserting "and administration";~~

~~(2) in subsection (b)—~~

~~(A) in paragraph (1)—~~

~~(i) in subparagraph (A), by striking "the information systems administered by the PBO, and other functions performed by the PBO" and inserting "the Federal student financial assistance programs authorized under title IV"; and~~

~~(ii) by striking subparagraph (C) and inserting the following:~~

~~"(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."; and~~

~~(B) in paragraph (2)—~~

~~(i) in the matter preceding subparagraph (A), by striking "administration of the information and financial systems that support" and inserting "the administration of Federal";~~

~~(ii) in subparagraph (A)—~~

~~(I) in the matter preceding clause (i), by striking "of the delivery system for Federal student assistance" and inserting "for the Federal student assistance programs authorized under title IV";~~

~~(II) by striking clauses (i) and (ii) and inserting the following:~~

~~"(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) in clause (iii), by striking "delivery" and inserting "administration";~~

~~(IV) in clause (iv)—~~

~~(aa) by inserting "the" after "supporting"; and~~

~~(bb) by striking "and" after the semicolon;~~

~~(V) in clause (v), by striking "systems that support those programs." and inserting "the administration of the Federal student assistance programs authorized under title IV; and"; and~~

~~(VI) by adding at the end the following:~~

~~"(vi) ensuring the integrity of the student assistance programs authorized under title IV."; and~~

~~(iii) in subparagraph (B), by striking "operations and services" and inserting "activities and functions"; and~~

~~(3) in subsection (c)—~~

~~(A) in paragraph (1)(C)—~~

~~(i) in clause (iii), by striking "information and delivery"; and~~

~~(ii) in clause (iv)—~~

~~(I) by striking "Developing an" and inserting "Developing"; and~~

~~(II) by striking "delivery and information system" and inserting "systems";~~

~~(B) in paragraph (2)—~~

~~(i) in subparagraph (A), by inserting "the" after "PBO and"; and~~

~~(ii) in subparagraph (B), by striking "Officer" and inserting "Officers"; and~~

~~(C) in paragraph (3), by inserting "students," after "consult with";~~

~~(4) in subsection (d)—~~

~~(A) in paragraph (1), by striking the second sentence; and~~

~~(B) in paragraph (5)—~~

~~(i) in subparagraph (B), by striking "paragraph (2)" and inserting "paragraph (4)"; and~~

~~(ii) in subparagraph (C), by striking "this";~~

~~(5) in subsection (f)—~~

~~(A) in paragraph (2), by striking "to borrowers" and inserting "to students, borrowers,"; and~~

~~(B) in paragraph (3)(A), by striking "(1)(A)" and inserting "(1)";~~

~~(6) in subsection (g)(3), by striking "not more than 25";~~

~~(7) in subsection (h), by striking "organizational effectiveness" and inserting "effectiveness";~~

~~(8) by striking subsection (i);~~

~~(9) by redesignating subsection (j) as subsection (i); and~~

~~(10) in subsection (i) (as redesignated by paragraph (9)), by striking ", including transition costs".~~

~~SEC. 110. PROCUREMENT FLEXIBILITY.~~

~~Section 142 (20 U.S.C. 1018a) is amended—~~

~~(1) in subsection (b)—~~

~~(A) in paragraph (1)—~~

~~(i) by striking "for information systems supporting the programs authorized under title IV"; and~~

~~(ii) by striking "and" after the semicolon;~~

~~(B) in paragraph (2), by striking the period at the end and inserting "; and"; and~~

~~(C) by adding at the end the following:~~

~~"(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.";~~

~~(2) by striking subsection (c)(2) and inserting the following:~~

~~"(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.";~~

~~(3) in subsection (d)(2)(B), by striking "on Federal Government contracts";~~

~~(4) in subsection (g)—~~

~~(A) in paragraph (4)(A)—~~

~~(i) in the subparagraph heading, by striking "SOLE SOURCE.—" and inserting "SINGLE-SOURCE BASIS.—"; and~~

~~(ii) by striking "sole-source" and inserting "single-source"; and~~

~~(B) in paragraph (7), by striking "sole-source" and inserting "single-source";~~

~~(5) in subsection (h)(2)(A), by striking "sole-source" and inserting "single-source"; and~~

~~(6) in subsection (l), by striking paragraph (3) and inserting the following:~~

~~"(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.".~~

~~TITLE II—TEACHER QUALITY ENHANCEMENT~~

~~SEC. 201. TEACHER QUALITY ENHANCEMENT GRANTS FOR STATES AND PARTNERSHIPS.~~

~~Part A of title II (20 U.S.C. 1021 et seq.) is amended to read as follows:~~

~~"PART A—TEACHER QUALITY ENHANCEMENT GRANTS FOR STATES AND PARTNERSHIPS~~

~~"SEC. 201. PURPOSES; DEFINITIONS.~~

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

~~"(1) improve student achievement;~~

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

~~"(3) hold institutions of higher education accountable for preparing 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 areas in which teachers provide instruction; and~~

~~"(B) when referring to a specific academic subject area, the disciplines or content areas in which academic majors are offered by the arts and sciences organizational unit.~~

~~"(2) CHILDREN FROM LOW-INCOME FAMILIES.—The term 'children from low-income families' means children as described in section 1124(c)(1)(A) of the Elementary and Secondary Education Act of 1965.~~

~~"(3) EARLY CHILDHOOD EDUCATION PROGRAM.—The term 'early childhood education program' means a Head Start program or an Early Head Start program carried out under the Head Start Act (42 U.S.C. 9831 et seq.), a State licensed or regulated child care program or school, or a State prekindergarten program that serves children from birth through kindergarten and that addresses the children's cognitive (including language, early lit-~~

~~eracy, and pre-numeracy), social, emotional, and physical development.~~

~~"(4) 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.~~

~~"(5) EDUCATIONAL SERVICE AGENCY.—The term 'educational service agency' has the meaning given such term in section 9101 of the Elementary and Secondary Education Act of 1965.~~

~~"(6) EXEMPLARY TEACHER.—The term 'exemplary teacher' has the meaning given such term in section 9101 of the Elementary and Secondary Education Act of 1965.~~

~~"(7) HIGH-NEED LOCAL EDUCATIONAL AGENCY.—The term 'high-need local educational agency' means a local educational agency or educational service agency—~~

~~"(A)(i) that serves not fewer than 10,000 children from low-income families;~~

~~"(ii) for which not less than 20 percent of the children served by the agency are 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 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.~~

~~"(8) 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.~~

~~"(9) PROFESSIONAL DEVELOPMENT.—The term 'professional development' has the meaning given such term in section 9101 of the Elementary and Secondary Education Act of 1965.~~

~~"(10) SCIENTIFICALLY BASED READING RESEARCH.—The term 'scientifically based reading research' has the meaning given such term in section~~

~~1208 of the Elementary and Secondary Education Act of 1965.~~

~~"(11) SCIENTIFICALLY BASED RESEARCH.—The term 'scientifically based research' has the meaning given such term in section 9101 of the Elementary and Secondary Education Act of 1965.~~

~~"(12) TEACHER MENTORING.—The term 'teacher mentoring' means mentoring of teachers through an established or implemented program—~~

~~"(A) that includes qualifications for mentors;~~

~~"(B) that provides training for mentors;~~

~~"(C) that provides regular and ongoing opportunities for mentors and mentees to observe each other's teaching methods in classroom settings during the school day;~~

~~"(D) in which the mentoring is provided by a colleague who teaches in the same field, grade, or subject as the mentee; and~~

~~"(E) that includes—~~

~~"(i) common planning time or regularly scheduled collaboration with teachers in the teachers' same field, grade, or subject area; and~~

1 ~~"(ii) additional professional development opportunities.~~

3 ~~"(13) TEACHING SKILLS.—The term 'teaching skills' means the ability to—~~

5 ~~"(A) increase student achievement;~~

6 ~~"(B) effectively convey and explain academic subject matter;~~

8 ~~"(C) employ strategies that—~~

9 ~~"(i) are based on scientifically based research;~~

11 ~~"(ii) are specific to academic subject matter; and~~

13 ~~"(iii) focus on identification and tailoring of academic instruction to students' specific learning needs, particularly students with disabilities, students who are limited English proficient, and students who are gifted and talented;~~

19 ~~"(D) conduct ongoing assessment of student learning;~~

21 ~~"(E) effectively manage a classroom;~~

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

1 ~~"(G) in the case of an early childhood edu-~~
2 ~~cator, use age appropriate strategies and prac-~~
3 ~~tices for children in early childhood education~~
4 ~~programs.~~

5 ~~**"SEC. 202. STATE GRANTS.**~~

6 ~~"(a) IN GENERAL.—From amounts made available~~
7 ~~under section 209(a)(1) for a fiscal year, the Secretary~~
8 ~~is authorized to award grants under this section, on a~~
9 ~~competitive basis, to eligible States to enable the eligible~~
10 ~~States to carry out the activities described in subsections~~
11 ~~(d) and (e).~~

12 ~~"(b) ELIGIBLE STATE.—~~

13 ~~"(1) DEFINITION.—In this part, the term 'eligi-~~
14 ~~ble State' means—~~

15 ~~"(A) the Governor of a State; or~~

16 ~~"(B) in the case of a State for which the~~
17 ~~constitution or law of such State designates an-~~
18 ~~other individual, entity, or agency in the State~~
19 ~~to be responsible for teacher certification or li-~~
20 ~~censure and preparation activity, such indi-~~
21 ~~vidual, entity, or agency.~~

22 ~~"(2) CONSULTATION.—The Governor or the in-~~
23 ~~dividual, entity, or agency designated under para-~~
24 ~~graph (1)(B) shall consult with the Governor, State~~
25 ~~board of education, State educational agency, State~~

~~agency for higher education, or other applicable State entities (including the State agency responsible for early childhood education), as appropriate, with respect to the activities assisted under this section, including the development of the grant application and implementation of the activities.~~

~~"(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 submit an application to the Secretary that—~~

~~"(1) meets the requirement of this section;~~

~~"(2) demonstrates that the eligible State is in full compliance with—~~

~~"(A) sections 206(b) and 207; and~~

~~"(B) if applicable, sections 207(b) and 208, as such sections were in effect on the day before the date of enactment of the Higher Education Amendments of 2005;~~

~~"(3) includes a description of how the eligible State intends to use funds provided under this section;~~

~~"(4) includes measurable objectives for the use of the funds provided under this section;~~

~~"(5) describes how funded activities will—~~

~~"(A) reduce shortages, if any, of—~~

~~"(i) highly qualified general and special education teachers, including in low-income urban and rural areas and in high-need academic subject areas; and~~

~~"(ii) fully competent early childhood educators; and~~

~~"(B) be consistent with State, local, and other education reform activities that promote effective teaching skills and student academic achievement and consistent with State early learning standards for early childhood education programs, including how funded activities will support carrying out the applicable requirements of the eligible State under sections 1111 and 1119 of the Elementary and Secondary Education Act of 1965, and section 612(a)(14) of the Individuals with Disabilities Education Act;~~

1 ~~"(6) contains an assurance that the eligible~~
2 ~~State will carry out each of the intended uses of~~
3 ~~grant funds described in paragraph (3);~~
4 ~~"(7) describes the eligible State's—~~
5 ~~"(A) current capacity to measure the effec-~~
6 ~~tiveness of teacher preparation programs and~~
7 ~~professional development activities within the~~
8 ~~State using available statewide data;~~
9 ~~"(B) activities to enhance or expand the~~
10 ~~integration of existing data systems to better~~
11 ~~measure the effectiveness of teacher preparation~~
12 ~~programs and professional development activi-~~
13 ~~ties within the State; or~~
14 ~~"(C) if such data systems do not exist,~~
15 ~~plans for the development of an integrated~~
16 ~~statewide data system to measure the effective-~~
17 ~~ness of teacher preparation programs and pro-~~
18 ~~fessional development activities within the State~~
19 ~~using available statewide data; and~~
20 ~~"(8) contains such other information and assur-~~
21 ~~ances as the Secretary may require.~~
22 ~~"(d) REQUIRED USES OF FUNDS.—An eligible State~~
23 ~~that receives a grant under this section shall use the grant~~
24 ~~funds to reform teacher preparation requirements, to co-~~
25 ~~ordinate with State activities under section 2113(c) of the~~

~~Elementary and Secondary Education Act of 1965 and subsections (a) and (b) of section 654 of the Individuals with Disabilities Education Act, and to ensure that current and prospective teachers are highly qualified, by carrying out each of the following activities:~~

~~"(1) REFORMS.—Ensuring that all teacher preparation programs in the State are preparing current or prospective teachers to become highly qualified, to understand scientifically based research and its applicability, and to use technology effectively, including use of instructional techniques to improve student academic achievement, by assisting such programs—~~

~~"(A) in retraining faculty;~~

~~"(B) in designing (or redesigning) teacher preparation programs so that such programs—~~

~~"(i) are based on rigorous academic content and scientifically based research (including scientifically based reading research), and aligned with challenging State academic content standards;~~

~~"(ii) promote effective teaching skills; and~~

~~"(iii) promote understanding of effective instructional strategies for students~~

~~with special needs, including students with disabilities, students who are limited English proficient, and students who are gifted and talented;~~

~~"(C) in ensuring collaboration with departments, programs, or units outside of the teacher preparation program in relevant academic content areas to ensure a successful combination of training in both teaching and such content;~~

~~"(D) in developing high-quality, rigorous clinical experiences (that include student teaching experience) in which students participate while enrolled in a teacher preparation program, lasting not less than 1 term, through dissemination of best practices, technical assistance, or other relevant activities; and~~

~~"(E) in collecting and using data, in collaboration with institutions of higher education, schools, and local educational agencies, on teacher retention rates, by school, to evaluate and strengthen the effectiveness of the State's teacher support system.~~

~~"(2) CERTIFICATION OR LICENSURE REQUIREMENTS.—Reforming teacher certification or licensure requirements to ensure that—~~

~~"(A) teachers have the academic content knowledge and teaching skills in the academic subject areas that the teachers teach that are necessary to help students meet challenging State student academic achievement standards;~~

~~"(B) such requirements are aligned with challenging State academic content standards;~~

~~"(C) teacher certification and licensure assessments are—~~

~~"(i) used for purposes for which such assessments are valid and reliable;~~

~~"(ii) consistent with relevant, professional, and technical standards; and~~

~~"(iii) aligned with the reporting requirements of sections 205 and 206; and~~

~~"(D) such requirements for high-need academic subject areas (such as reading, mathematics, science, and foreign language, including less commonly taught languages) and high-need areas (such as special education, language instruction educational programs, and early childhood education) exist and reflect qualifications~~

~~to help students meet high standards, which may include the development of a State test for such areas.~~

~~"(3) EVALUATION.—~~

~~"(A) ANNUAL EVALUATION.—An eligible State that receives a grant under this section shall evaluate annually the effectiveness of teacher preparation programs and professional development activities within the State. To the extent practicable, such evaluation shall examine—~~

~~"(i) teachers' contributions to improving student academic achievement, as measured by State academic assessments required under section 1111(b)(3) of the Elementary and Secondary Education Act of 1965; and~~

~~"(ii) teacher mastery of the academic subject matter the teachers teach.~~

~~"(B) PUBLIC REPORTING.—The eligible State shall make the information described in subparagraph (A) (except such information that is individually identifiable) widely available through public means, such as posting on the~~

~~Internet, distribution to the media, and distribution through public agencies.~~

~~"(C) BETTER MEASUREMENT OF EFFECTIVENESS.—~~

~~"(i) IN GENERAL.—An eligible State that receives a grant under this section and does not have the capacity to measure the effectiveness of teacher preparation programs and professional development activities within the State using available statewide data, shall use a portion of funds received under this section to enhance or expand the integration of existing data systems, as described in subsection (c)(7)(B), or develop an integrated statewide data system, as described in subsection (c)(7)(C), to better measure the effectiveness of teacher preparation programs on student learning and achievement, and the impact of pre-service and ongoing professional development on teacher placement and retention.~~

~~"(ii) TECHNICAL QUALITY; STUDENT PRIVACY; FUNDS FROM OTHER SOURCES.—~~

~~In carrying out clause (i), the eligible State shall ensure—~~

~~"(I) the technical quality of the data system to maximize the validity, reliability, and accessibility of the data;~~

~~"(II) that student privacy is protected and that individually identifiable information about students, their achievements, and their families remains confidential, in accordance with the Family Educational Rights and Privacy Act of 1974; and~~

~~"(III) that funds provided under this section are used to supplement State efforts to enhance or expand the integration of existing data systems or to develop an integrated statewide data system.~~

~~"(c) ALLOWABLE USES OF FUNDS.—An eligible State that receives a grant under this section may use the grant funds to reform teacher preparation requirements, to coordinate with State activities under section 2113(c) of the Elementary and Secondary Education Act of 1965 and subsections (a) and (b) of section 654 of the Individ-~~

~~uals with Disabilities Education Act, and to ensure that current and future teachers are highly qualified, by carrying out any of the following activities:~~

~~"(1) ALTERNATIVES TO TRADITIONAL PREPARATION FOR TEACHING AND STATE CERTIFICATION OR LICENSURE.—Providing prospective teachers with alternative routes to State certification or licensure and alternative route programs to become highly qualified teachers through—~~

~~"(A) innovative approaches that reduce unnecessary barriers to State certification or licensure while producing highly qualified teachers;~~

~~"(B) a selective means for admitting individuals into such programs that includes passage of State approved teacher examinations in appropriate subject areas;~~

~~"(C) programs that help prospective teachers develop effective teaching skills and strategies through knowledge of research-based information on the learning process and learning practices;~~

~~"(D) programs that provide support to teachers during the teachers' initial years in the profession; and~~

1 ~~"(E) alternative routes to State certifi-~~
2 ~~cation or licensure of teachers for qualified indi-~~
3 ~~viduals, including mid-career professionals from~~
4 ~~other occupations, paraprofessionals, former~~
5 ~~military personnel, and recent college graduates~~
6 ~~with records of academic distinction.~~
7 ~~"(2) INNOVATIVE PROGRAMS.—Planning and~~
8 ~~implementing innovative programs to enhance the~~
9 ~~ability of institutions of higher education, including~~
10 ~~charter colleges of education, or university and local~~
11 ~~educational agency partnership schools, to prepare~~
12 ~~highly qualified teachers, which programs shall—~~
13 ~~"(A) permit flexibility in the manner in~~
14 ~~which the institution of higher education meets~~
15 ~~State requirements as long as graduates, during~~
16 ~~the graduates' initial years in the profession, in-~~
17 ~~crease student academic achievement;~~
18 ~~"(B) provide a description in the applica-~~
19 ~~tion of long-term data gathered from teachers'~~
20 ~~performance over multiple years in the class-~~
21 ~~room regarding the teachers' ability to increase~~
22 ~~student academic achievement;~~
23 ~~"(C) ensure high-quality preparation of~~
24 ~~teachers from underrepresented groups;~~

~~"(D) create performance measures that can be used to document the effectiveness of innovative methods for preparing highly qualified teachers; and~~

~~"(E) develop frameworks for exemplary induction programs informed by research and best practices.~~

~~"(3) TEACHER RECRUITMENT AND RETENTION.—Undertaking activities that develop and implement effective mechanisms to ensure that local educational agencies and schools are able to recruit and retain highly qualified teachers, which may include the following activities:~~

~~"(A) PERFORMANCE BASED COMPENSATION.—Assisting local educational agencies in developing—~~

~~"(i) performance systems that reward teachers who increase student academic achievement and take on additional responsibilities, such as teacher mentoring and serving as master teachers; and~~

~~"(ii) strategies that provide differential and bonus pay in high-need local educational agencies to recruit and retain—~~

~~"(I) principals;~~

~~"(II) highly qualified teachers who teach in high-need academic subject areas (such as reading, mathematics, science, and foreign language, including less commonly taught languages);~~

~~"(III) highly qualified teachers who teach in schools identified for school improvement under section 1116(b) of the Elementary and Secondary Education Act of 1965;~~

~~"(IV) highly qualified special education teachers;~~

~~"(V) highly qualified teachers specializing in teaching children who are limited English proficient; and~~

~~"(VI) highly qualified teachers in low-income urban and rural schools or districts.~~

~~"(B) ADDITIONAL MECHANISMS.—Developing and implementing effective mechanisms to ensure that local educational agencies and schools are able to—~~

~~"(i) address needs identified with respect to—~~

1 ~~"(I) underrepresented groups;~~

2 ~~"(II) high-need academic subject~~
3 ~~areas (such as reading, mathematics,~~
4 ~~science, and foreign language, includ-~~
5 ~~ing less commonly taught languages);~~

6 ~~"(III) high-need areas (such as~~
7 ~~special education, language instruc-~~
8 ~~tion educational programs, and early~~
9 ~~childhood education);~~

10 ~~"(IV) high-need communities,~~
11 ~~such as rural and urban areas;~~

12 ~~"(V) high-need schools, including~~
13 ~~schools with high rates of teacher~~
14 ~~turnover; and~~

15 ~~"(VI) students with disabilities~~
16 ~~and students who are limited English~~
17 ~~proficient;~~

18 ~~"(ii) offer teacher mentoring for new~~
19 ~~teachers during such teachers' initial years~~
20 ~~of teaching; and~~

21 ~~"(iii) provide access to ongoing profes-~~
22 ~~sional development opportunities for teach-~~
23 ~~ers and administrators.~~

24 ~~"(C) TEACHER ADVANCEMENT.—Assisting~~
25 ~~local educational agencies in developing teacher~~

~~advancement and retention initiatives that promote professional growth and emphasize multiple career paths (such as paths to becoming a highly qualified mentor teacher or exemplary teacher) and pay differentiation.~~

~~"(D) RECRUIT QUALIFIED PROFESSIONALS.—Developing recruitment programs or assisting local educational agencies in—~~

~~"(i) recruiting qualified professionals from other fields, including highly qualified paraprofessionals (as defined in section 2102 of the Elementary and Secondary Education Act of 1965); and~~

~~"(ii) providing such professionals with alternative routes to teacher certification or licensure.~~

~~"(E) UNDERREPRESENTED POPULATIONS.—Providing increased opportunities for minorities, individuals with disabilities, and other individuals underrepresented in the teaching profession.~~

~~"(F) RURAL EDUCATION RECRUITMENT AND RETENTION PROGRAMS.—Making grants to rural school districts, or a consortia of rural school districts, to implement—~~

~~"(i) teacher recruitment strategies, which may include tuition assistance, student loan forgiveness, housing assistance, bonus pay, and other effective approaches;~~

~~"(ii) teacher retention strategies, such as mentoring programs and ongoing opportunities for professional growth and advancement; and~~

~~"(iii) partnerships with institutions of higher education designed to—~~

~~"(I) prepare beginning teachers to teach; and~~

~~"(II) assist teachers (including teachers who teach multiple subjects) to become highly qualified.~~

~~"(4) TEACHER SCHOLARSHIPS AND SUPPORT.—Providing—~~

~~"(A) scholarships to help students, such as individuals who have been accepted by, or who are enrolled in, a program of undergraduate education at an institution of higher education, pay the costs of tuition, room, board, and other expenses of completing a teacher preparation program, if—~~

~~"(i) the Secretary establishes such requirements as the Secretary determines necessary to ensure that recipients of scholarships under this section who complete teacher preparation programs—~~

~~"(I) subsequently teach in an early childhood education program or a high-need local educational agency for a period of time equivalent to the period of time for which the recipient received scholarship assistance, plus an additional 1 year; or~~

~~"(II) repay the amount of the scholarship if the recipient does not teach as described in subclause (I); and~~

~~"(ii) the eligible State provides an assurance that the eligible State will recruit minority students to become highly qualified teachers;~~

~~"(B) support services, if needed, to enable scholarship recipients to complete postsecondary education programs, or to move from a career outside of the field of education into a teaching career; and~~

1 ~~"(C) follow-up services to former scholar-~~
2 ~~ship recipients during the recipients' initial~~
3 ~~years of teaching.~~
4 ~~"(5) TEACHER REMOVAL.—Developing and im-~~
5 ~~plementing effective mechanisms to ensure that local~~
6 ~~educational agencies and schools are able to expedi-~~
7 ~~tiously remove incompetent or unqualified teachers~~
8 ~~consistent with procedures to ensure due process for~~
9 ~~the teachers.~~
10 ~~"(6) TEACHER EFFECTIVENESS.—Developing—~~
11 ~~"(A) systems to measure the effectiveness~~
12 ~~of teacher preparation programs and profes-~~
13 ~~sional development programs; and~~
14 ~~"(B) strategies to document gains in stu-~~
15 ~~dent academic achievement or increases in~~
16 ~~teacher mastery of the academic subject matter~~
17 ~~the teachers teach, as a result of such pro-~~
18 ~~grams.~~
19 ~~"(7) EARLY CHILDHOOD EDUCATORS.—Devel-~~
20 ~~oping strategies to improve and expand teacher~~
21 ~~preparation programs for early childhood educators~~
22 ~~to teach in early childhood education programs.~~
23 ~~"(8) PROFESSIONAL DEVELOPMENT.—Devel-~~
24 ~~oping and enhancing high-quality professional devel-~~

~~opment, instructional materials, and relevant training materials.~~

~~"(9) TECHNOLOGY.—Assisting teachers to use technology effectively, including use for instructional techniques and the collection, management, and analysis of data to improve teaching, learning, and decision making for the purpose of increasing student academic achievement.~~

~~"(10) AREAS OF INSTRUCTIONAL SHORTAGE.—Increasing the number of—~~

~~"(A) teachers in the classroom providing instruction in high-need academic subject areas (such as reading, mathematics, science, and foreign language, including less commonly taught languages) and high-need areas (such as special education, language instruction educational programs, and early childhood education); and~~

~~"(B) special education faculty dedicated to preparing highly qualified special education teachers at institutions of higher education.~~

~~"(11) TECHNICAL ASSISTANCE.—Providing technical assistance to low-performing programs of teacher preparation within institutions of higher education identified under section 207(a).~~

1 ~~"(12) EVALUATION SUPPORT.—Performing~~
2 ~~data collection, evaluation, and reporting to meet the~~
3 ~~requirements of subsection (d)(3).~~
4 ~~"(13) PROFESSIONAL ADVANCEMENT.—Devel-~~
5 ~~oping a professional advancement system to—~~
6 ~~"(A) initiate or enhance a system in which~~
7 ~~highly qualified teachers who pursue advanced~~
8 ~~licensure levels are required to demonstrate in-~~
9 ~~creased competencies and undertake increased~~
10 ~~responsibilities for increased compensation as~~
11 ~~the teachers progress through levels established~~
12 ~~by the State; or~~
13 ~~"(B) provide opportunities for professional~~
14 ~~growth, including through—~~
15 ~~"(i) a nationally recognized advance~~
16 ~~credentialing system; or~~
17 ~~"(ii) special certification in advanced~~
18 ~~placement or international baccalaureate~~
19 ~~content, teaching gifted and talented stu-~~
20 ~~dents, and pedagogy.~~
21 ~~"(f) SUPPLEMENT, NOT SUPPLANT.—Funds made~~
22 ~~available under this section shall be used to supplement,~~
23 ~~and not supplant, other Federal, State, and local funds~~
24 ~~that would otherwise be expended to carry out activities~~
25 ~~under this section.~~

1 **“SEC. 203. PARTNERSHIP GRANTS.**

2 “(a) GRANTS.—From amounts made available under
3 section 209(a)(2) for a fiscal year, the Secretary is author-
4 ized to award grants under this section, on a competitive
5 basis, to eligible partnerships to enable the eligible part-
6 nerships to carry out the activities described in subsections
7 (e) and (f).

8 “(b) DEFINITIONS.—

9 “(1) ELIGIBLE PARTNERSHIP.—

10 “(A) IN GENERAL.—In this part, the term
11 ‘eligible partnership’ means an entity that shall
12 include—

13 “(i) a partner institution;

14 “(ii) a school of arts and sciences;

15 “(iii) a high-need local educational
16 agency and a school or a consortium of
17 schools served by the agency; and

18 “(iv) at least 1 individual or entity de-
19 scribed in subparagraph (B).

20 “(B) ADDITIONAL INDIVIDUALS AND ENTI-
21 TIES.—In this part, the term ‘eligible partner-
22 ship’ means an entity that shall include at least
23 1 of the following:

24 “(i) A Governor.

25 “(ii) A State educational agency.

26 “(iii) A State board of education.

~~"(iv) A State agency for higher education.~~

~~"(v) A school or department within the partner institution focusing on education, psychology, human development, or a department with comparable expertise in the disciplines of teaching, learning, and child and adolescent development.~~

~~"(vi) An institution of higher education or a department within such institution, not described in subparagraph (A).~~

~~"(vii) A public charter school.~~

~~"(viii) A public or private elementary school or secondary school.~~

~~"(ix) A public or private nonprofit educational organization.~~

~~"(x) A business.~~

~~"(xi) A science-, mathematics-, or technology-oriented entity.~~

~~"(xii) An early childhood education program.~~

~~"(xiii) A teacher organization.~~

~~"(xiv) An educational service agency.~~

~~"(xv) A consortium of local educational agencies.~~

1 ~~"(xvi) A nonprofit telecommunications~~
2 ~~entity.~~
3 ~~"(2) PARTNER INSTITUTION.—In this section,~~
4 ~~the term 'partner institution' means an institution of~~
5 ~~higher education, which may include a 2-year insti-~~
6 ~~tution of higher education offering a dual program~~
7 ~~with a 4-year institution of higher education, that~~
8 ~~has a teacher preparation program—~~
9 ~~"(A) whose graduates exhibit strong per-~~
10 ~~formance on State-determined qualifying assess-~~
11 ~~ments for new teachers through—~~
12 ~~"(i) demonstrating that 80 percent or~~
13 ~~more of the graduates of the program who~~
14 ~~intend to enter the field of teaching have~~
15 ~~passed all of the applicable State qualifica-~~
16 ~~tion assessments for new teachers, which~~
17 ~~shall include an assessment of each pro-~~
18 ~~spective teacher's subject matter knowledge~~
19 ~~in the content area in which the teacher in-~~
20 ~~tends to teach; or~~
21 ~~"(ii) being ranked among the highest-~~
22 ~~performing teacher preparation programs~~
23 ~~in the State as determined by the State—~~

1 ~~"(I) using criteria consistent with~~
2 ~~the requirements for the State report~~
3 ~~card under section 206(b); and~~
4 ~~"(II) using the State report card~~
5 ~~on teacher preparation required under~~
6 ~~section 206(b), after the first publica-~~
7 ~~tion of such report card and for every~~
8 ~~year thereafter; or~~
9 ~~"(B) that requires all the students of the~~
10 ~~program to meet high academic standards and~~
11 ~~participate in intensive clinical experience,~~
12 ~~and—~~
13 ~~"(i) in the case of secondary school~~
14 ~~candidates, to successfully complete—~~
15 ~~"(I) a major or its equivalent in~~
16 ~~coursework in the academic subject~~
17 ~~area in which the candidate intends to~~
18 ~~teach; or~~
19 ~~"(II) a related major in the aca-~~
20 ~~demic subject area in which the can-~~
21 ~~didate intends to teach;~~
22 ~~"(ii) in the case of elementary school~~
23 ~~candidates, to successfully complete—~~

~~"(I) an academic major or its equivalent in coursework in the arts and sciences; or~~

~~"(II) a major in elementary education with a significant amount of coursework in the arts and sciences; and~~

~~"(iii) in the case of early childhood educators, to become fully competent and meet degree requirements, as established by the State.~~

~~"(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 contain—~~

~~"(1) a needs assessment of all the partners with respect to the preparation, induction, and professional development of early childhood educators, general and special education teachers, and principals;~~

~~"(2) a description of the extent to which the teacher preparation program of the eligible partnership prepares new teachers with effective teaching skills;~~

1 ~~"(3) a description of how the eligible partner-~~
2 ~~ship will coordinate with other teacher preparation~~
3 ~~or professional development programs, including~~
4 ~~those funded under the Elementary and Secondary~~
5 ~~Education Act of 1965 and the Individuals with Dis-~~
6 ~~abilities Education Act, and how the activities of the~~
7 ~~eligible partnership will be consistent with State,~~
8 ~~local, and other education reform activities that pro-~~
9 ~~mote student achievement;~~
10 ~~"(4) a resource assessment that describes the~~
11 ~~resources available to the eligible partnership, the in-~~
12 ~~tended use of the grant funds (including a descrip-~~
13 ~~tion of how the grant funds will be fairly distrib-~~
14 ~~uted), and the commitment of the resources of the~~
15 ~~eligible partnership to the activities assisted under~~
16 ~~this part, including financial support, faculty partici-~~
17 ~~pation, time commitments, and continuation of the~~
18 ~~activities when the grant period ends;~~
19 ~~"(5) a description of—~~
20 ~~"(A) how the eligible partnership will meet~~
21 ~~the purposes of this part;~~
22 ~~"(B) how the eligible partnership will carry~~
23 ~~out the activities required under subsection (c)~~
24 ~~and any permissible activities under subsection~~
25 ~~(f);~~

~~"(C) the eligible partnership's evaluation plan pursuant to section 205(b);~~

~~"(D) how the eligible partnership will align the teacher preparation program with the challenging student academic achievement standards, State early learning standards for early childhood education programs (where applicable), and challenging academic content standards, established by the State in which the partnership is located;~~

~~"(E) how faculty of the teacher preparation program at the partner institution will serve, over the period of the grant, with highly qualified teachers in the classrooms of the high-need local educational agency included in the eligible partnership;~~

~~"(F) how the eligible partnership will ensure that teachers, principals, and superintendents in all schools (including private schools, as appropriate) located in the geographic areas served by an eligible partnership under this section are provided information about the activities carried out with funds under this section, including through electronic means;~~

1 ~~"(G) how the eligible partnership will de-~~
2 ~~sign, implement, or enhance the clinical pro-~~
3 ~~gram component, including promoting close su-~~
4 ~~pervision of student teachers by faculty of the~~
5 ~~teacher preparation program and mentor teach-~~
6 ~~ers while in the program and during the stu-~~
7 ~~dent teachers' initial years of teaching if hired~~
8 ~~by schools included in the eligible partnership;~~
9 ~~"(H) how the eligible partnership will de-~~
10 ~~velop or enhance an induction program that in-~~
11 ~~cludes high-quality professional development to~~
12 ~~support new teachers during the teachers' ini-~~
13 ~~tial years of teaching that includes teacher~~
14 ~~mentoring and collaborating with teachers in~~
15 ~~the same grade, department, or field; and~~
16 ~~"(I) how the eligible partnership will col-~~
17 ~~lect, analyze, use, and disseminate data on the~~
18 ~~retention of all teachers in schools located in~~
19 ~~the geographic areas served by the eligible part-~~
20 ~~nership to evaluate the effectiveness of its~~
21 ~~teacher support system; and~~
22 ~~"(6) an assurance that the eligible partnership~~
23 ~~will carry out each of the activities described in~~
24 ~~paragraph (5).~~
25 ~~"(d) CONSULTATION.—~~

1 ~~"(1) IN GENERAL.—Members of an eligible~~
2 ~~partnership that receives a grant under this section~~
3 ~~shall engage in regular consultation throughout the~~
4 ~~development and implementation of programs and~~
5 ~~activities under this section.~~
6 ~~"(2) REGULAR COMMUNICATION.—To ensure~~
7 ~~timely and meaningful consultation, regular commu-~~
8 ~~nication shall occur among all members of the eligi-~~
9 ~~ble partnership, including the high-need local edu-~~
10 ~~cational agency. Such communication shall continue~~
11 ~~throughout the implementation of the grant and the~~
12 ~~assessment of programs and activities under this~~
13 ~~section.~~
14 ~~"(3) WRITTEN CONSENT.—The Secretary may~~
15 ~~approve changes in grant activities only if a written~~
16 ~~consent signed by all members of the eligible part-~~
17 ~~nership is submitted to the Secretary.~~
18 ~~"(c) REQUIRED USES OF FUNDS.—An eligible part-~~
19 ~~nership that receives a grant under this section shall use~~
20 ~~the grant funds to carry out each of the following activi-~~
21 ~~ties:~~
22 ~~"(1) REFORMS.—Ensuring that each teacher~~
23 ~~preparation program and each early childhood edu-~~
24 ~~cator preparation program, where applicable, of the~~
25 ~~eligible partnership that is assisted under this sec-~~

~~tion addresses the needs identified in the needs assessment of the partnership and is preparing current or prospective teachers to be highly qualified, and, where applicable, early childhood educators to be fully competent, to understand scientifically based research and its applicability, and to use technology effectively, including use of instructional techniques to improve student academic achievement, and in the case of early childhood educators, techniques to improve children's cognitive, social, emotional, and physical development, by assisting such programs—~~

~~"(A) in retraining faculty;~~

~~"(B) in designing (or redesigning) teacher preparation programs so that such programs—~~

~~"(i) are based on rigorous academic content and scientifically based research (including scientifically based reading research), and aligned with challenging State academic content standards and for early childhood educators, aligned with State early learning standards;~~

~~"(ii) promote effective teaching skills;~~

~~"(iii) promote understanding of effective instructional strategies for students with special needs, including students with~~

disabilities, students who are limited English proficient, students who are gifted and talented, and children in early childhood education programs; and

"(iv) promote high-quality mathematics, science, and foreign language instruction, where applicable;

"(C) in ensuring collaboration with departments, programs, or units outside of the teacher preparation program in all academic content areas to ensure a successful combination of training in both teaching and such content; and

"(D) in developing high-quality, rigorous clinical experiences, lasting not less than 1 term, through dissemination of best practices, technical assistance, or other relevant activities.

"(2) CLINICAL EXPERIENCE AND INTERACTION.—Improving sustained and high-quality preservice clinical experiences, including—

"(A) providing teacher mentoring; and

"(B) 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 sup-

~~port, including preparation time and release time, for such interaction.~~

~~"(3) SUPPORT PROGRAMS FOR NEW TEACHERS.—Creating a program to support new teachers during the initial years of teaching (for not less than 1 year and not more than 3 years). Such program shall promote effective teaching skills and may include the following components:~~

~~"(A) Development of skills in educational interventions based on scientifically based research.~~

~~"(B) Development of knowledge of scientifically based research on teaching and learning.~~

~~"(C) Inclusion of faculty who model the integration of research and practice in the classroom.~~

~~"(D) Opportunities for—~~

~~"(i) high-quality teacher mentoring; and~~

~~"(ii) additional professional development, dissemination of evidence-based research on educational practices, and professional development activities.~~

~~"(E) Interdisciplinary collaboration among exemplary teachers, faculty, researchers, and~~

other staff who prepare new teachers on the learning process and the assessment of learning.

"(f) ALLOWABLE USES OF FUNDS.—An eligible partnership that receives a grant under this section may use the grant funds to carry out any of the following activities that address the needs identified in the needs assessment:

"(1) ALTERNATIVES TO TRADITIONAL PREPARATION FOR TEACHING AND STATE CERTIFICATION OR LICENSURE.—The activity described in section 202(c)(1).

"(2) DISSEMINATION AND COORDINATION.—Broadly disseminating information on effective practices used by the eligible partnership, and coordinating with the activities of the Governor, State board of education, State agency for higher education, State agency responsible for early childhood education, and State educational agency, as appropriate.

"(3) INNOVATIVE PROGRAMS.—Developing innovative programs designed to provide graduates of programs funded under this title with opportunities to continue their education through supports and opportunities to improve instructional practices in the initial years of teaching, including the following:

1 ~~"(A) INTERNSHIPS.—~~

2 ~~"(i) TEACHER PREPARATION EN-~~
3 ~~HANCEMENT INTERNSHIP.—Developing a~~
4 ~~1-year paid internship program for stu-~~
5 ~~dents who have completed a 4-year teacher~~
6 ~~preparation program, or alternative routes~~
7 ~~to State certification or licensure program,~~
8 ~~to enable such students to develop the~~
9 ~~skills and experience necessary for success~~
10 ~~in teaching, including providing intensive~~
11 ~~clinical training and combining in-service~~
12 ~~instruction in teacher methods and assess-~~
13 ~~ments with classroom observations, experi-~~
14 ~~ences, and practices. Such interns shall~~
15 ~~have a reduced teaching load and a mentor~~
16 ~~for assistance in the classroom.~~

17 ~~"(ii) MID-CAREER PROFESSIONAL IN-~~
18 ~~TERNSHIPS.—Developing a 1-year paid in-~~
19 ~~ternship program for mid-career profes-~~
20 ~~sionals from other occupations, former~~
21 ~~military personnel, and recent college grad-~~
22 ~~uates from fields other than teacher prepa-~~
23 ~~ration with records of academic distinction~~
24 ~~to enable such individuals to develop the~~
25 ~~skills and experience necessary for success~~

~~in teaching, including providing intensive clinical training and combining in-service instruction in teacher methods and assessments with classroom observations, experiences, and practices. Such interns shall have a reduced teaching load and a mentor for assistance in the classroom.~~

~~"(B) RESIDENCY PROGRAMS FOR NEW TEACHERS.—Supporting teachers in a residency program that provides an induction period for all new general education and special education teachers that includes—~~

~~"(i) a forum for information sharing among prospective teachers, teachers, principals, administrators, and participating faculty in the partner institution; and~~

~~"(ii) the application of scientifically based research on teaching and learning generated by entities such as the Institute of Education Sciences, and the National Research Council of the National Academies.~~

~~"(C) PATHWAYS FOR PARAPROFESSIONALS TO ENTER TEACHING.—Creating intensive programs to provide the coursework and clinical~~

~~experiences needed by highly qualified paraprofessionals, as defined in section 2102 of the Elementary and Secondary Education Act of 1965, to qualify for State teacher certification or licensure.~~

~~"(4) MANAGERIAL AND LEADERSHIP SKILLS.—Developing and implementing proven mechanisms to provide principals and superintendents with effective managerial, leadership, curricula, and instructional skills that result in increased student academic achievement.~~

~~"(5) TEACHER SCHOLARSHIPS AND SUPPORT.—Providing—~~

~~"(A) scholarships to help students, such as individuals who have been accepted by, or who are enrolled in, a program of undergraduate education at an institution of higher education, pay the costs of tuition, room, board, and other expenses of completing a teacher preparation program, if—~~

~~"(i) the Secretary establishes such requirements as the Secretary determines necessary to ensure that recipients of scholarships under this paragraph who complete teacher preparation programs—~~

1 ~~"(I) subsequently teach in a~~
2 ~~high-need local educational agency for~~
3 ~~a period of time equivalent to the pe-~~
4 ~~riod of time for which the recipient re-~~
5 ~~ceived the scholarship assistance, plus~~
6 ~~an additional 1 year; or~~
7 ~~"(II) repay the amount of the~~
8 ~~scholarship if the recipient does not~~
9 ~~teach as described in subclause (I);~~
10 ~~and~~
11 ~~"(ii) the eligible partnership provides~~
12 ~~an assurance that the eligible partnership~~
13 ~~will recruit minority students to become~~
14 ~~highly qualified teachers;~~
15 ~~"(B) support services, if needed, to enable~~
16 ~~scholarship recipients to complete postsecondary~~
17 ~~education programs, or to transition from a ca-~~
18 ~~reer outside of the field of education into a~~
19 ~~teaching career; and~~
20 ~~"(C) follow-up services for former scholar-~~
21 ~~ship recipients during the recipients' initial~~
22 ~~years of teaching.~~
23 ~~"(6) COORDINATION WITH COMMUNITY COL-~~
24 ~~LEGES.—~~

1 ~~"(A) TEACHER PREPARATION PRO-~~
2 ~~GRAMS.—Coordinating with 2-year institutions~~
3 ~~of higher education to implement teacher prepa-~~
4 ~~ration programs, including through distance~~
5 ~~learning, for the purposes of allowing prospec-~~
6 ~~tive teachers—~~
7 ~~"(i) to obtain a bachelor's degree and~~
8 ~~State certification or licensure; and~~
9 ~~"(ii) to become highly qualified teach-~~
10 ~~ers.~~
11 ~~"(B) PROFESSIONAL DEVELOPMENT.—Co-~~
12 ~~ordinating with 2-year institutions of higher~~
13 ~~education to provide professional development~~
14 ~~that—~~
15 ~~"(i) improves the academic content~~
16 ~~knowledge of teachers in the academic sub-~~
17 ~~ject areas in which the teachers are cer-~~
18 ~~tified or licensed to teach, or in which the~~
19 ~~teachers are working toward certification~~
20 ~~or licensure to teach; and~~
21 ~~"(ii) promotes effective teaching skills.~~
22 ~~"(7) CLINICAL EXPERIENCE IN SCIENCE, MATH-~~
23 ~~EMATICS, AND TECHNOLOGY.—Creating opportuni-~~
24 ~~ties for clinical experience and training for teachers~~
25 ~~and prospective teachers through participation with~~

~~professionals in business, research, and work environments in areas relating to science, mathematics, and technology, including opportunities for using laboratory equipment.~~

~~"(8) PROFESSIONAL DEVELOPMENT.—Creating opportunities for enhanced and ongoing professional development for experienced general education and special education teachers, early childhood educators, principals, administrators, and faculty.~~

~~"(9) TECHNOLOGY.—The activity described in section 202(e)(9).~~

~~"(10) AREAS OF INSTRUCTIONAL SHORTAGE.—Increasing the number of—~~

~~"(A) teachers in the classroom providing instruction in high-need academic subject areas (such as reading, mathematics, science, and foreign language, including less commonly taught languages), and high-need areas (such as special education, language instruction educational programs, and early childhood education);~~

~~"(B) special education faculty dedicated to preparing highly qualified special education teachers at institutions of higher education; and~~

1 ~~"(C) faculty at institutions of higher edu-~~
2 ~~cation with expertise in instruction of students~~
3 ~~who are limited English proficient.~~
4 ~~"(11) IMPROVING INSTRUCTION.—Improving~~
5 ~~instruction by—~~
6 ~~"(A) improving understanding and instruc-~~
7 ~~tion in core academic subjects and other, spe-~~
8 ~~cialized courses, such as geography, American~~
9 ~~history and government, and world history; and~~
10 ~~"(B) creating externships for teachers and~~
11 ~~prospective teachers for field experience and~~
12 ~~training through participation in business, re-~~
13 ~~search, and work environments in high-need~~
14 ~~academic subject areas (such as reading, math-~~
15 ~~ematics, science, and foreign language, includ-~~
16 ~~ing less commonly taught languages) and high-~~
17 ~~need areas (such as special education, language~~
18 ~~instruction educational programs, and early~~
19 ~~childhood education).~~
20 ~~"(12) GRADUATE PROGRAMS.—Developing, in~~
21 ~~collaboration with departments, programs, or units~~
22 ~~of both academic content and teacher education~~
23 ~~within a partner institution, master's degree pro-~~
24 ~~grams that meet the demonstrated needs of teachers~~
25 ~~in the high-need local educational agency partici-~~

~~pating in the eligible partnership for content expertise and teaching skills.~~

~~"(13) LITERACY TEACHER TRAINING.—Establishing and implementing a program that strengthens content knowledge and teaching skills of secondary school teachers in literacy that—~~

~~"(A) provides teacher training and stipends for literacy coaches who train classroom teachers to implement literacy programs;~~

~~"(B) develops or redesigns rigorous research-based curricula that are aligned with challenging State and local academic content standards, and with postsecondary standards for reading and writing;~~

~~"(C) provides training and stipends for teachers to tutor students with intense individualized reading, writing, and subject matter instruction during or beyond the school day;~~

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

~~"(E) establishes an evaluation and accountability plan for activities conducted under~~

~~this paragraph to measure the impact of such activities.~~

~~"(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. 204. ADMINISTRATIVE PROVISIONS.~~

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

~~"(1) DURATION.—~~

~~"(A) ELIGIBLE STATES.—Grants awarded to eligible States 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) 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—~~

1 ~~"(A) with respect to grants under section~~
2 ~~202, give priority to eligible States—~~
3 ~~"(i) that have innovative reforms to~~
4 ~~hold institutions of higher education with~~
5 ~~teacher preparation programs accountable~~
6 ~~for preparing teachers to become highly~~
7 ~~qualified and have effective teaching skills;~~
8 ~~"(ii) that have innovative efforts~~
9 ~~aimed at reducing the shortage of highly~~
10 ~~qualified general and special education~~
11 ~~teachers, including in low-income urban~~
12 ~~and rural areas and in high-need academic~~
13 ~~subject areas (such as reading, mathe-~~
14 ~~matics, science, and foreign language, in-~~
15 ~~cluding less commonly taught languages);~~
16 ~~and~~
17 ~~"(iii) whose awards promote an equi-~~
18 ~~table geographic distribution of grants~~
19 ~~among rural and urban areas; and~~
20 ~~"(B) with respect to grants under section~~
21 ~~203, give priority—~~
22 ~~"(i) to applications from broad-based~~
23 ~~eligible partnerships that involve busi-~~
24 ~~nesses and community organizations; and~~

1 ~~"(ii) to eligible partnerships so that~~
2 ~~the awards promote an equitable geo-~~
3 ~~graphic distribution of grants among rural~~
4 ~~and urban areas.~~
5 ~~"(3) SECRETARIAL SELECTION.—The Secretary~~
6 ~~shall determine, based on the peer review process,~~
7 ~~which applications shall receive funding and the~~
8 ~~amounts of the grants. In determining grant~~
9 ~~amounts, the Secretary shall take into account the~~
10 ~~total amount of funds available for all grants under~~
11 ~~this part and the types of activities proposed to be~~
12 ~~carried out.~~
13 ~~"(c) MATCHING REQUIREMENTS.—~~
14 ~~"(1) STATE GRANTS.—Each eligible State re-~~
15 ~~ceiving a grant under section 202 shall provide, from~~
16 ~~non-Federal sources, an amount equal to 50 percent~~
17 ~~of the amount of the grant (in cash or in kind) to~~
18 ~~carry out the activities supported by the grant.~~
19 ~~"(2) PARTNERSHIP GRANTS.—Each eligible~~
20 ~~partnership receiving a grant under section 203~~
21 ~~shall provide, from non-Federal sources (in cash or~~
22 ~~in kind), an amount equal to 25 percent of the~~
23 ~~amount of the grant for the first year of the grant,~~
24 ~~35 percent of the amount of the grant for the second~~

~~year of the grant, and 50 percent of the amount 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 use not more than 2 percent of the grant funds for purposes of administering the grant.~~

~~"(e) ADDITIONAL ACTIVITIES.—The Secretary shall use funds repaid pursuant to section 202(e)(4)(A)(i)(II) or section 203(f)(5)(A)(i)(II) to carry out additional activities under section 202 or 203, respectively.~~

~~"SEC. 205. 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 and the authorizing committees. Such report shall include a description of the degree to which the eligible State, in using funds provided under such section, has made progress in meeting the purposes of this part and substantial progress in meeting the following goals, as applicable:~~

~~"(1) STUDENT ACADEMIC ACHIEVEMENT.—Increasing student academic achievement for all students as defined by the eligible State.~~

~~"(2) RAISING STANDARDS.—Raising the State academic standards required to enter the teaching profession as a highly qualified teacher, and where~~

~~applicable, as a fully competent early childhood educator.~~

~~"(3) INITIAL CERTIFICATION OR LICENSURE.—Increasing success in the pass rates and scaled scores for initial State teacher certification or licensure, or increasing the numbers of qualified individuals being certified or licensed as teachers through alternative routes to State certification or licensure programs.~~

~~"(4) PERCENTAGE OF HIGHLY QUALIFIED TEACHERS.—Providing data on the progress of the State towards meeting the highly qualified teacher requirements under section 1119(a)(2) of the Elementary and Secondary Education Act of 1965.~~

~~"(5) DECREASING TEACHER SHORTAGES.—Decreasing shortages of—~~

~~"(A) highly qualified teachers in—~~

~~"(i) low-income urban and rural areas;~~

~~"(ii) high-need academic subject areas (such as reading, mathematics, science, and foreign language, including less commonly taught languages);~~

~~"(iii) special education; and~~

1 ~~"(iv) high-need areas (such as special~~
2 ~~education, language instruction educational~~
3 ~~programs, and early childhood education);~~
4 ~~and~~
5 ~~"(B) fully competent early childhood edu-~~
6 ~~cators.~~
7 ~~"(6) INCREASING OPPORTUNITIES FOR PROFES-~~
8 ~~SIONAL DEVELOPMENT.—Increasing opportunities~~
9 ~~for enhanced and ongoing professional development~~
10 ~~that—~~
11 ~~"(A) improves the academic content knowl-~~
12 ~~edge of teachers in the academic subject areas~~
13 ~~in which the teachers are certified or licensed to~~
14 ~~teach or in which the teachers are working to-~~
15 ~~ward certification or licensure to teach; and~~
16 ~~"(B) promotes effective teaching skills.~~
17 ~~"(b) ELIGIBLE PARTNERSHIP EVALUATION.—Each~~
18 ~~eligible partnership submitting an application for a grant~~
19 ~~under section 203 shall establish and include in such ap-~~
20 ~~plication, an evaluation plan that includes strong perform-~~
21 ~~ance objectives. The plan shall include objectives and~~
22 ~~measures for increasing—~~
23 ~~"(1) student achievement for all students as~~
24 ~~measured by the eligible partnership;~~

1 ~~"(2) teacher retention in the first 3 years of a~~
2 ~~teacher's career;~~
3 ~~"(3) success in the pass rates and scaled scores~~
4 ~~for initial State certification or licensure of teachers;~~
5 ~~"(4) the percentage of highly qualified teachers~~
6 ~~hired by the high-need local educational agency par-~~
7 ~~ticipating in the eligible partnership; and~~
8 ~~"(5) the percentage of—~~
9 ~~"(A) highly qualified teachers among~~
10 ~~underrepresented groups, in high-need academic~~
11 ~~subject areas (such as reading, mathematics,~~
12 ~~science, and foreign language, including less~~
13 ~~commonly taught languages), in high-need~~
14 ~~areas (such as special education, language in-~~
15 ~~struction educational programs, and early child-~~
16 ~~hood education), and in high-need schools;~~
17 ~~"(B) elementary school, middle school, and~~
18 ~~secondary school classes taught by teachers who~~
19 ~~are highly qualified;~~
20 ~~"(C) early childhood education program~~
21 ~~classes taught by providers who are fully com-~~
22 ~~petent; and~~
23 ~~"(D) highly qualified special education~~
24 ~~teachers.~~
25 ~~"(c) REVOCATION OF GRANT.—~~

1 ~~"(1) ELIGIBLE STATES.—If the Secretary de-~~
2 ~~termines that an eligible State is not making sub-~~
3 ~~stantial progress in meeting the purposes, goals, ob-~~
4 ~~jectives, and measures, as appropriate, by the end of~~
5 ~~the second year of a grant under this part, then the~~
6 ~~grant payment shall not be made for the third year~~
7 ~~of the grant.~~
8 ~~"(2) ELIGIBLE PARTNERSHIPS.—If the Sec-~~
9 ~~retary determines that an eligible partnership is not~~
10 ~~making substantial progress in meeting the pur-~~
11 ~~poses, goals, objectives, and measures, as appro-~~
12 ~~priate, by the end of the third year of a grant under~~
13 ~~this part, then the grant payments shall not be made~~
14 ~~for any succeeding year of the grant.~~
15 ~~"(d) EVALUATION AND DISSEMINATION.—The Sec-~~
16 ~~retary shall evaluate the activities funded under this part~~
17 ~~and report the Secretary's findings regarding the activities~~
18 ~~to the authorizing committees. The Secretary shall broadly~~
19 ~~disseminate—~~
20 ~~"(1) successful practices developed by eligible~~
21 ~~States and eligible partnerships under this part; and~~
22 ~~"(2) information regarding such practices that~~
23 ~~were found to be ineffective.~~

1 **~~"SEC. 206. ACCOUNTABILITY FOR PROGRAMS THAT PRE-~~**
2 **~~PARE TEACHERS.~~**
3 ~~"(a) INSTITUTIONAL AND PROGRAM REPORT CARDS~~
4 ~~ON THE QUALITY OF TEACHER PREPARATION.—~~
5 ~~"(1) REPORT CARD.—Each institution of higher~~
6 ~~education that conducts a traditional teacher prepa-~~
7 ~~ration program or an alternative routes to State cer-~~
8 ~~tification or licensure program and that enrolls stu-~~
9 ~~dents receiving Federal assistance under this Act~~
10 ~~shall report annually to the State and the general~~
11 ~~public, in a uniform and comprehensible manner~~
12 ~~that conforms with the definitions and methods es-~~
13 ~~tablished by the Secretary, both for traditional~~
14 ~~teacher preparation programs and alternative routes~~
15 ~~to State certification or licensure programs, the fol-~~
16 ~~lowing information:~~
17 ~~"(A) PASS RATES AND SCALED SCORES.—~~
18 ~~For the most recent year for which the informa-~~
19 ~~tion is available for those students who are en-~~
20 ~~rolled in the traditional teacher preparation~~
21 ~~program or alternative routes to State certifi-~~
22 ~~cation or licensure program, or who have com-~~
23 ~~pleted the traditional teacher preparation pro-~~
24 ~~gram or alternative routes to State certification~~
25 ~~or licensure program during the 2-year period~~
26 ~~preceding such year, for each of the assess-~~

~~ments 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 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 passed 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 decision making for the purpose of increasing student academic achievement.~~

1 ~~"(2) REPORT.—Each eligible partnership re-~~
2 ~~ceiving a grant under section 203 shall report annu-~~
3 ~~ally on the progress of the eligible partnership to-~~
4 ~~ward meeting the purposes of this part and the ob-~~
5 ~~jectives and measures described in section 205(b).~~
6 ~~"(3) FINES.—The Secretary may impose a fine~~
7 ~~not to exceed $25,000 on an institution of higher~~
8 ~~education for failure to provide the information de-~~
9 ~~scribed in this subsection in a timely or accurate~~
10 ~~manner.~~
11 ~~"(4) SPECIAL RULE.—In the case of an institu-~~
12 ~~tion of higher education that conducts a traditional~~
13 ~~teacher preparation program or an alternative routes~~
14 ~~to State certification or licensure program and has~~
15 ~~fewer than 10 scores reported on any single initial~~
16 ~~teacher certification or licensure assessment during~~
17 ~~an academic year, the institution shall collect and~~
18 ~~publish information, as required under paragraph~~
19 ~~(1)(A), with respect to an average pass rate and~~
20 ~~scaled score on each State certification or licensure~~
21 ~~assessment taken over a 3-year period.~~
22 ~~"(b) STATE REPORT CARD ON THE QUALITY OF~~
23 ~~TEACHER PREPARATION.—~~
24 ~~"(1) IN GENERAL.—Each State that receives~~
25 ~~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, if any, including, for each of the assessments used~~

~~by the State for teacher certification or licensure—~~

~~"(i) the percentage of individuals participating in such routes, or who have completed such routes during the 2-year period preceding the date of the determination, who passed each such assessment; and~~

~~"(ii) the average scaled score of individuals participating in such routes, or who have completed such routes during the period preceding the date of the determination, who passed 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), the average number of hours of supervised clinical experience required for those in the pro-~~

~~gram, 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, including those areas described in section 205(a)(5).~~

~~"(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 decision making 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 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 States and 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.~~

1 ~~"(B) A comparison of eligible partnerships'~~
2 ~~efforts to improve the quality of the current~~
3 ~~and future teaching force.~~
4 ~~"(C) The national mean and median scaled~~
5 ~~scores and pass rate on any standardized test~~
6 ~~that is used in more than 1 State for teacher~~
7 ~~certification or licensure.~~
8 ~~"(3) SPECIAL RULE.—In the case of a teacher~~
9 ~~preparation program with fewer than 10 scores re-~~
10 ~~ported on any single initial teacher certification or li-~~
11 ~~censure assessment during an academic year, the~~
12 ~~Secretary shall collect and publish information, and~~
13 ~~make publicly available, with respect to an average~~
14 ~~pass rate and scaled score on each State certification~~
15 ~~or licensure assessment taken over a 3-year period.~~
16 ~~"(d) COORDINATION.—The Secretary, to the extent~~
17 ~~practicable, shall coordinate the information collected and~~
18 ~~published under this part among States for individuals~~
19 ~~who took State teacher certification or licensure assess-~~
20 ~~ments in a State other than the State in which the indi-~~
21 ~~vidual received the individual's most recent degree.~~
22 **~~"SEC. 207. STATE FUNCTIONS.~~**
23 ~~"(a) STATE ASSESSMENT.—In order to receive funds~~
24 ~~under this Act, a State shall have in place a procedure~~
25 ~~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 assessment shall be described in the report under section 206(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.~~

1 ~~"(c) NEGOTIATED RULEMAKING.—If the Secretary~~
2 ~~develops any regulations implementing subsection (b)(2),~~
3 ~~the Secretary shall submit such proposed regulations to~~
4 ~~a negotiated rulemaking process, which shall include rep-~~
5 ~~resentatives of States, institutions of higher education,~~
6 ~~and educational and student organizations.~~
7 ~~"(d) APPLICATION OF THE REQUIREMENTS.—The~~
8 ~~requirements of this section shall apply to both traditional~~
9 ~~teacher preparation programs and alternative routes to~~
10 ~~State certification and licensure programs.~~
11 ~~**"SEC. 208. GENERAL PROVISIONS.**~~
12 ~~"(a) METHODS.—In complying with sections 206 and~~
13 ~~207, the Secretary shall ensure that States and institu-~~
14 ~~tions of higher education use fair and equitable methods~~
15 ~~in reporting and that the reporting methods do not allow~~
16 ~~identification of individuals.~~
17 ~~"(b) SPECIAL RULE.—For each State that does not~~
18 ~~use content assessments as a means of ensuring that all~~
19 ~~teachers teaching in core academic subjects within the~~
20 ~~State are highly qualified not later than the end of the~~
21 ~~2005-2006 school year, as required under section 1119 of~~
22 ~~the Elementary and Secondary Education Act of 1965,~~
23 ~~and that each person employed as a special education~~
24 ~~teacher in the State who teaches elementary school, middle~~
25 ~~school, or secondary school is highly qualified by such~~

1 deadline, as required under section 612(a)(14)(C) of the
2 Individuals with Disabilities Education Act,—
3 "(1) the Secretary shall, to the extent prac-
4 ticable, collect data comparable to the data required
5 under this part from States, local educational agen-
6 cies, institutions of higher education, or other enti-
7 ties that administer such assessments to teachers or
8 prospective teachers; and
9 "(2) notwithstanding any other provision of this
10 part, the Secretary shall use such data to carry out
11 requirements of this part related to assessments,
12 pass rates, and scaled scores.
13 "(c) LIMITATIONS.—
14 "(1) FEDERAL CONTROL PROHIBITED.—Noth-
15 ing in this title shall be construed to permit, allow,
16 encourage, or authorize any Federal control over any
17 aspect of any private, religious, or home school,
18 whether or not a home school is treated as a private
19 school or home school under State law. This section
20 shall not be construed to prohibit private, religious,
21 or home schools from participation in programs or
22 services under this title.
23 "(2) NO CHANGE IN STATE CONTROL ENCOUR-
24 AGED OR REQUIRED.—Nothing in this title shall be
25 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 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.~~

~~"(d) RELEASE OF INFORMATION TO TEACHER PREPARATION PROGRAMS.—~~

~~"(1) IN GENERAL.—For the purpose of improving teacher preparation programs, a State educational agency 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)—~~

1 ~~"(A) shall include an identification of spe-~~
2 ~~cific individuals who graduated from the teach-~~
3 ~~er preparation program to enable the teacher~~
4 ~~preparation program to evaluate the informa-~~
5 ~~tion provided to the program from the State~~
6 ~~educational agency with the program's own~~
7 ~~data about the specific courses taken by, and~~
8 ~~field experiences of, the individual graduates;~~
9 ~~and~~
10 ~~"(B) may include—~~
11 ~~"(i) kindergarten through grade 12~~
12 ~~academic achievement and demographic~~
13 ~~data, without individual identifying infor-~~
14 ~~mation, for students who have been taught~~
15 ~~by graduates of the teacher preparation~~
16 ~~program; and~~
17 ~~"(ii) teacher effectiveness evaluations~~
18 ~~for teachers who graduated from the teach-~~
19 ~~er preparation program.~~
20 **~~"SEC. 209. AUTHORIZATION OF APPROPRIATIONS.~~**
21 ~~"(a) IN GENERAL.—There are authorized to be ap-~~
22 ~~propriated to carry out this part such sums as may be~~
23 ~~necessary for fiscal year 2006 and each of the 5 suc-~~
24 ~~ceeding fiscal years, of which—~~

~~"(1) 50 percent shall be available for each fiscal year to award grants under section 202; and~~

~~"(2) 50 percent shall be available for each fiscal year to award grants under section 203.~~

~~"(b) SPECIAL RULE.—If the Secretary determines that there is an insufficient number of meritorious applications for grants under section 202 or 203 to justify awarding the full amount described in paragraph (1) or (2) of subsection (a), respectively, the Secretary may, after funding the meritorious applications, use the remaining funds for grants under the other such section.".~~

~~TITLE III—INSTITUTIONAL AID~~

~~SEC. 301. PROGRAM PURPOSE.~~

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

~~(1) in subsection (b)—~~

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

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

~~(2) in subsection (c)—~~

~~(A) in paragraph (6), by inserting ", including innovative, customized, remedial education and English language instruction courses~~

~~designed to help retain students and move the students rapidly into core courses and through program completion'' before the period;~~

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

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

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

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

~~SEC. 302. DEFINITIONS; ELIGIBILITY.~~

~~Section 312 (20 U.S.C. 1058) is amended—~~

~~(1) in subsection (b)(1)(A), by striking ''subsection (c) of this section'' and inserting ''subsection (d)'';~~ ~~and~~

~~(2) in subsection (d)(2), by striking ''subdivision'' and inserting ''paragraph''.~~

~~SEC. 303. AMERICAN INDIAN TRIBALLY CONTROLLED COLLEGES AND UNIVERSITIES.~~

~~Section 316 (20 U.S.C. 1059c) is amended—~~

~~(1) by striking subsection (b)(3) and inserting the following:~~

~~"(3) TRIBAL COLLEGE OR UNIVERSITY.—The term 'Tribal College or University' means an institution that meets the definition of a tribally controlled college or university in section 2 of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801).";~~

~~(2) in subsection (c)(2)—~~

~~(A) in subparagraph (B), by inserting before the semicolon at the end the following: "and the acquisition of real property adjacent to the campus of the institution";~~

~~(B) by redesignating subparagraphs (G), (H), (I), (J), (K), and (L) as subparagraphs (H), (I), (J), (K), (L), and (N), respectively;~~

~~(C) by inserting after subparagraph (F) the following:~~

~~"(G) education or counseling services designed to improve the financial literacy and economic literacy of students or parents of students;";~~

~~(D) in subparagraph (L) (as redesignated by subparagraph (B)), by striking "and" after the semicolon;~~

~~(E) by inserting after subparagraph (L) (as redesignated by subparagraph (B)) the following:~~

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

~~(F) in subparagraph (N) (as redesignated by subparagraph (B)), by striking "subparagraphs (A) through (K)" and inserting "subparagraphs (A) through (M)"; and~~

~~(3) by striking subsection (d) and inserting the following:~~

~~"(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 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 distrib-~~

~~uted 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 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.~~

1 ~~"(B) EXEMPTION.—Section 313(d) shall~~
2 ~~not apply to institutions that are eligible to re-~~
3 ~~ceive funds under this section.".~~
4 **~~SEC. 304. ALASKA NATIVE AND NATIVE HAWAIIAN-SERVING~~**
5 **~~INSTITUTIONS.~~**
6 ~~Section 317(c)(2) (20 U.S.C. 1059d(c)(2)) is amend-~~
7 ~~ed—~~
8 ~~(1) in subparagraph (G), by striking "and"~~
9 ~~after the semicolon;~~
10 ~~(2) in subparagraph (H), by striking the period~~
11 ~~and inserting "; and"; and~~
12 ~~(3) by adding at the end the following:~~
13 ~~"(I) education or counseling services de-~~
14 ~~signed to improve the financial literacy and eco-~~
15 ~~nomic literacy of students or the students' par-~~
16 ~~ents.".~~
17 **~~SEC. 305. NATIVE AMERICAN-SERVING, NONTRIBAL INSTI-~~**
18 **~~TUTIONS.~~**
19 ~~(a) GRANT PROGRAM AUTHORIZED.—Part A of title~~
20 ~~III (20 U.S.C. 1057 et seq.) is amended by adding at the~~
21 ~~end the following:~~
22 **~~"SEC. 318. NATIVE AMERICAN-SERVING, NONTRIBAL INSTI-~~**
23 **~~TUTIONS.~~**
24 ~~"(a) PROGRAM AUTHORIZED.—The Secretary shall~~
25 ~~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.~~

1 ~~"(2) EXAMPLES OF AUTHORIZED ACTIVITIES.—~~
2 ~~Such programs may include—~~
3 ~~"(A) the purchase, rental, or lease of sci-~~
4 ~~entific or laboratory equipment for educational~~
5 ~~purposes, including instructional and research~~
6 ~~purposes;~~
7 ~~"(B) renovation and improvement in class-~~
8 ~~room, library, laboratory, and other instruc-~~
9 ~~tional facilities;~~
10 ~~"(C) support of faculty exchanges, and fac-~~
11 ~~ulty development and faculty fellowships to as-~~
12 ~~sist faculty in attaining advanced degrees in the~~
13 ~~faculty's field of instruction;~~
14 ~~"(D) curriculum development and aca-~~
15 ~~demic instruction;~~
16 ~~"(E) the purchase of library books, peri-~~
17 ~~odicals, microfilm, and other educational mate-~~
18 ~~rials;~~
19 ~~"(F) funds and administrative manage-~~
20 ~~ment, and acquisition of equipment for use in~~
21 ~~strengthening funds management;~~
22 ~~"(G) the joint use of facilities such as lab-~~
23 ~~oratories and libraries; and~~
24 ~~"(H) academic tutoring and counseling~~
25 ~~programs and student support services.~~

1 ~~"(d) APPLICATION PROCESS.—~~

2 ~~"(1) INSTITUTIONAL ELIGIBILITY.—A Native~~
3 ~~American-serving, nontribal institution desiring to~~
4 ~~receive assistance under this section shall submit to~~
5 ~~the Secretary such enrollment data as may be nec-~~
6 ~~essary to demonstrate that the institution is a Na-~~
7 ~~tive American-serving, nontribal institution, along~~
8 ~~with such other information and data as the Sec-~~
9 ~~retary may by regulation require.~~

10 ~~"(2) APPLICATIONS.—~~

11 ~~"(A) PERMISSION TO SUBMIT APPLICA-~~
12 ~~TIONS.—Any institution that is determined by~~
13 ~~the Secretary to be a Native American-serving,~~
14 ~~nontribal institution may submit an application~~
15 ~~for assistance under this section to the Sec-~~
16 ~~retary.~~

17 ~~"(B) SIMPLIFIED AND STREAMLINED FOR-~~
18 ~~MAT.—The Secretary shall, to the extent pos-~~
19 ~~sible, prescribe a simplified and streamlined for-~~
20 ~~mat for applications under this section that~~
21 ~~takes into account the limited number of insti-~~
22 ~~tutions that are eligible for assistance under~~
23 ~~this section.~~

24 ~~"(C) CONTENT.—An application submitted~~
25 ~~under subparagraph (A) shall include—~~

1 ~~"(i) a 5-year plan for improving the~~
2 ~~assistance provided by the Native Amer-~~
3 ~~ican-serving, nontribal institution to Native~~
4 ~~Americans; and~~
5 ~~"(ii) such other information and as-~~
6 ~~surances as the Secretary may require.~~
7 ~~"(3) SPECIAL RULES.—~~
8 ~~"(A) ELIGIBILITY.—No Native American-~~
9 ~~serving, nontribal institution that receives funds~~
10 ~~under this section shall concurrently receive~~
11 ~~funds under other provisions of this part or~~
12 ~~part B.~~
13 ~~"(B) EXEMPTION.—Section 313(d) shall~~
14 ~~not apply to institutions that are eligible to re-~~
15 ~~ceive funds under this section.~~
16 ~~"(C) DISTRIBUTION.—In awarding grants~~
17 ~~under this section, the Secretary shall, to the~~
18 ~~extent possible and consistent with the competi-~~
19 ~~tive process under which such grants are~~
20 ~~awarded, ensure maximum and equitable dis-~~
21 ~~tribution among all eligible institutions.".~~
22 ~~(b) AUTHORIZATION OF APPROPRIATIONS.—Section~~
23 ~~399 (20 U.S.C. 1068h) is amended by adding at the end~~
24 ~~the following:~~

1 ~~"(c) MINIMUM GRANT AMOUNT.—The minimum~~
2 ~~amount of a grant under this title shall be $200,000.".~~
3 **~~SEC. 306. PART B DEFINITIONS.~~**
4 ~~Section 322(4) (20 U.S.C. 1061(4)) is amended by~~
5 ~~inserting ", in consultation with the Commissioner for~~
6 ~~Education Statistics" before "and the Commissioner".~~
7 **~~SEC. 307. GRANTS TO INSTITUTIONS.~~**
8 ~~Section 323(a) (20 U.S.C. 1062(a)) is amended—~~
9 ~~(1) in the matter preceding paragraph (1), by~~
10 ~~striking "360(a)(2)" and inserting "399(a)(2)";~~
11 ~~(2) by redesignating paragraphs (7) through~~
12 ~~(12) as paragraphs (8) through (13), respectively;~~
13 ~~and~~
14 ~~(3) by inserting after paragraph (6) the fol-~~
15 ~~lowing:~~
16 ~~"(7) Education or counseling services designed~~
17 ~~to improve the financial literacy and economic lit-~~
18 ~~eracy of students or the students' parents.".~~
19 **~~SEC. 308. ALLOTMENTS TO INSTITUTIONS.~~**
20 ~~Section 324 (20 U.S.C. 1063) is amended by adding~~
21 ~~at the end the following:~~
22 ~~"(h) SPECIAL RULE ON ELIGIBILITY.—Notwith-~~
23 ~~standing any other provision of this section, a part B insti-~~
24 ~~tution shall not receive an allotment under this section un-~~

less the part B institution provides 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. 309. PROFESSIONAL OR GRADUATE INSTITUTIONS.

Section 326 (20 U.S.C. 1063b) is amended—

(1) in subsection (c)—

(A) in paragraph (2), by inserting ", and for the acquisition and development of real property that is adjacent to the campus for such construction, maintenance, renovation, or improvement" after "services";

(B) by redesignating paragraphs (5) through (7) as paragraphs (7) through (9), respectively;

~~(C) by inserting after paragraph (4) the following:~~

~~"(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;";~~

~~(D) in paragraph (7) (as redesignated by subparagraph (B)), by striking "establish or improve" and inserting "establishing or improving";~~

~~(E) in paragraph (8) (as redesignated by subparagraph (B))—~~

~~(i) by striking "assist" and inserting "assisting"; and~~

~~(ii) by striking "and" after the semicolon;~~

~~(F) in paragraph (9) (as redesignated by subparagraph (B)), by striking the period and inserting "; and"; and~~

~~(G) by adding at the end the following:~~

~~"(10) other activities proposed in the application submitted under subsection (d) that—~~

~~"(A) contribute to carrying out the purposes of this part; and~~

1 ~~"(B) are approved by the Secretary as part~~
2 ~~of the review and acceptance of such applica-~~
3 ~~tion.";~~
4 ~~(2) in subsection (e)—~~
5 ~~(A) in paragraph (1)—~~
6 ~~(i) by inserting a colon after "the fol-~~
7 ~~lowing";~~
8 ~~(ii) in subparagraph (Q), by striking~~
9 ~~"and" at the end;~~
10 ~~(iii) in subparagraph (R), by striking~~
11 ~~the period and inserting a semicolon; and~~
12 ~~(iv) by adding at the end the fol-~~
13 ~~lowing:~~
14 ~~"(S) Alabama State University qualified~~
15 ~~graduate program;~~
16 ~~"(T) Coppin State University qualified~~
17 ~~graduate program; and~~
18 ~~"(U) Prairie View A & M University quali-~~
19 ~~fied graduate program.";~~
20 ~~(B) in paragraph (2), by inserting "in law~~
21 ~~or" after "instruction";~~
22 ~~(C) in paragraph (3), by striking "1998"~~
23 ~~and inserting "2006";~~
24 ~~(3) in subsection (f)(3)—~~

~~(A) by striking subparagraphs (A) and (B) and inserting the following:~~

~~"(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 (c)—~~

~~"(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.";~~

~~(B) in subparagraph (C), by striking "(or the equivalent) enrolled in the eligible professional or graduate school" and all that follows through the period and inserting "enrolled in~~

~~the qualified programs or institutions listed in paragraph (1).'';~~

~~(C) in subparagraph (D)—~~

~~(i) by striking ''students'' and inserting ''Black American students or minority students''; and~~

~~(ii) by striking ''institution'' and inserting ''institution or program''; and~~

~~(D) by striking subparagraph (E) and inserting the following:~~

~~''(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.'';~~ and

~~(4) in subsection (g), by striking ''1998'' and inserting ''2006''.~~

1 **~~SEC. 310. AUTHORIZATION OF APPROPRIATIONS.~~**

2 ~~Subsection (a) of section 399 (20 U.S.C. 1068h) is~~
3 ~~amended to read as follows:~~

4 ~~"(a) AUTHORIZATIONS.—~~

5 ~~"(1) PART A.—(A) There are authorized to be~~
6 ~~appropriated to carry out part A (other than section~~
7 ~~316) such sums as may be necessary for fiscal year~~
8 ~~2006 and each of the 5 succeeding fiscal years.~~

9 ~~"(B) There are authorized to be appropriated~~
10 ~~to carry out section 316 such sums as may be nec-~~
11 ~~essary for fiscal year 2006 and each of the 5 suc-~~
12 ~~ceeding fiscal years.~~

13 ~~"(C) There are authorized to be appropriated to~~
14 ~~carry out section 317 such sums as may be nec-~~
15 ~~essary for fiscal year 2006 and each of the 5 suc-~~
16 ~~ceeding fiscal years.~~

17 ~~"(D) There are authorized to be appropriated~~
18 ~~to carry out section 318 such sums as may be nec-~~
19 ~~essary for fiscal year 2006 and each of the 5 suc-~~
20 ~~ceeding fiscal years.~~

21 ~~"(2) PART B.—(A) There are authorized to be~~
22 ~~appropriated to carry out part B (other than section~~
23 ~~326) such sums as may be necessary for fiscal year~~
24 ~~2006 and each of the 5 succeeding fiscal years.~~

25 ~~"(B) There are authorized to be appropriated~~
26 ~~to carry out section 326 such sums as may be nec-~~

~~essary for fiscal year 2006 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 2006 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 2006 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 2006 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 2006 and each of the 5 succeeding fiscal years.".~~

~~SEC. 311. TECHNICAL CORRECTIONS.~~

~~Title III (20 U.S.C. 1051 et seq.) is further amended—~~

~~(1) in section 342(5)(C) (20 U.S.C. 1066a(5)(C)), by striking ",," and inserting ",";~~

~~(2) in section 343(e) (20 U.S.C. 1066b(e)), by inserting "**SALE OF QUALIFIED BONDS.**—" before "Notwithstanding";~~

~~(3) in the matter preceding clause (i) of section 365(9)(A) (20 U.S.C. 1067k(9)(A)), by striking "support" and inserting "supports";~~

~~(4) in section 391(b)(7)(E) (20 U.S.C. 1068(b)(7)(E)), by striking "subparagraph (E)" and inserting "subparagraph (D)";~~

~~(5) in the matter preceding subparagraph (A) of section 392(b)(2) (20 U.S.C. 1068a(b)(2)), by striking "eligible institutions under part A institutions" and inserting "eligible institutions under part A"; and~~

~~(6) in the matter preceding paragraph (1) of section 396 (20 U.S.C. 1068e), by striking "360" and inserting "399".~~

~~TITLE IV—STUDENT ASSISTANCE~~

~~PART A—GRANTS TO STUDENTS IN ATTENDANCE AT INSTITUTIONS OF HIGHER EDUCATION~~

~~SEC. 401. FEDERAL PELL GRANTS.~~

~~Section 401 (20 U.S.C. 1070a) is amended—~~

~~(1) in subsection (a)(1)—~~

~~(A) in the first sentence, by striking "2004" and inserting "2012"; and~~

~~(B) in the second sentence, by striking ''.'' and inserting ''.'';~~

~~(2) in subsection (b)—~~

~~(A) by striking paragraph (2)(A) and inserting the following:~~

~~''(2)(A) the amount of the Federal Pell Grant for a student eligible under this part shall be—~~

~~''(i) $5,100 for academic year 2006–2007;~~

~~''(ii) $5,400 for academic year 2007–2008;~~

~~''(iii) $5,700 for academic year 2008–2009;~~

~~''(iv) $6,000 for academic year 2009–2010; and~~

~~''(v) $6,300 for academic year 2010–2011,~~

~~less an amount equal to the amount determined to be the expected family contribution with respect to that student for that year.'';~~

~~(B) by striking paragraph (3);~~

~~(C) by redesignating paragraphs (4) through (8) as paragraphs (3) through (7), respectively;~~

~~(D) in paragraph (4) (as redesignated by subparagraph (C)), by striking ''$400, except'' and all that follows through the period and inserting ''10 percent of the maximum basic grant level specified in the appropriate Appropriation Act for such academic year.''; and~~

(E) by striking paragraph (5) (as redesignated by subparagraph (C)) and inserting the following:

"(5) In the case of a student who is enrolled, on at least a half-time basis and for a period of more than 1 academic year in a 2-year or 4-year program of instruction for which an institution of higher education awards an associate or baccalaureate degree, the Secretary shall allow such student to receive not more than 2 Federal Pell Grants during a single award year to permit such student to accelerate the student's progress toward a degree by attending additional sessions. In the case of a student receiving more than 1 Federal Pell Grant in a single award year, the total amount of Federal Pell Grants awarded to such student for the award year may exceed the basic grant level specified in the appropriate Appropriation Act for such award year."; and

(3) in subsection (c), by adding at the end the following:

"(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—

1 ~~"(A) be determined without regard to whether~~
2 ~~the student is enrolled on a full-time basis during~~
3 ~~any portion of the period of time; and~~
4 ~~"(B) include any period of time for which the~~
5 ~~student received a Federal Pell Grant prior to the~~
6 ~~date of enactment of the Higher Education Amend-~~
7 ~~ments of 2005.".~~
8 ~~**SEC. 402. FEDERAL TRIO PROGRAMS.**~~
9 ~~(a) PROGRAM AUTHORITY; AUTHORIZATION OF AP-~~
10 ~~PROPRIATIONS.—Section 402A (20 U.S.C. 1070a–11) is~~
11 ~~amended—~~
12 ~~(1) in subsection (b)—~~
13 ~~(A) in paragraph (2)—~~
14 ~~(i) in the matter preceding subpara-~~
15 ~~graph (A), by striking "4" and inserting~~
16 ~~"5";~~
17 ~~(ii) by striking subparagraph (A); and~~
18 ~~(iii) by redesignating subparagraphs~~
19 ~~(B) and (C) as subparagraphs (A) and~~
20 ~~(B), respectively; and~~
21 ~~(B) by striking paragraph (3) and insert-~~
22 ~~ing the following:~~
23 ~~"(3) MINIMUM GRANTS.—Unless the institution~~
24 ~~or agency requests a smaller amount, an individual~~
25 ~~grant authorized under this chapter shall be award-~~

~~ed in an amount that is not less than $200,000, except that an individual grant authorized under section 402G shall be awarded in an amount that is not less than $170,000.'';~~

~~(2) in subsection (c)—~~

~~(A) in paragraph (2), by striking ''service delivery'' and inserting ''high quality service delivery, as determined under subsection (f),'';~~

~~(B) in paragraph (3)(B), by striking ''is not required to'' and inserting ''shall not''; and~~

~~(C) in paragraph (5), by striking ''campuses'' and inserting ''different campuses'';~~

~~(3) in subsection (e), by striking ''(g)(2)'' each place the term occurs and inserting ''(h)(4)'';~~

~~(4) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively;~~

~~(5) by inserting after subsection (e) the following:~~

~~''(f) OUTCOME CRITERIA.—~~

~~''(1) IN GENERAL.—The Secretary, by regulation, shall establish outcome criteria for measuring, annually and for longer periods, the quality and effectiveness of programs authorized under this chapter.~~

1 ~~"(2) USE FOR PRIOR EXPERIENCE DETERMINA-~~
2 ~~TION.—The outcome criteria under paragraph (1)~~
3 ~~shall be used to evaluate the programs provided by~~
4 ~~a recipient of a grant under this chapter, and the~~
5 ~~Secretary shall determine an eligible entity's prior~~
6 ~~experience of high quality service delivery, as re-~~
7 ~~quired in subsection (c)(2), based on the outcome~~
8 ~~criteria.~~
9 ~~"(3) CONSIDERATION OF RELEVANT DATA.—~~
10 ~~The outcome criteria under this subsection shall~~
11 ~~take into account data pertaining to secondary~~
12 ~~school completion, postsecondary education enroll-~~
13 ~~ment, and postsecondary education completion for~~
14 ~~low-income students, first generation college stu-~~
15 ~~dents, and individuals with disabilities, in the schools~~
16 ~~and institutions of higher education served by the~~
17 ~~program to be evaluated.~~
18 ~~"(4) CONTENTS OF OUTCOME CRITERIA.—The~~
19 ~~outcome criteria shall include the following:~~
20 ~~"(A) For programs authorized under sec-~~
21 ~~tion 402B, whether the eligible entity met or~~
22 ~~exceeded the entity's objectives established in~~
23 ~~the entity's application for such program re-~~
24 ~~garding—~~

~~"(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; and~~

~~"(iv) the enrollment of such students in an institution of higher education.~~

~~"(B) For programs authorized under section 402C, whether the eligible entity met or exceeded its 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;~~

1 ~~"(iv) the retention in, and graduation~~
2 ~~from, secondary school of such students;~~
3 ~~and~~
4 ~~"(v) the enrollment of such students~~
5 ~~in an institution of higher education.~~
6 ~~"(C) For programs authorized under sec-~~
7 ~~tion 402D—~~
8 ~~"(i) whether the eligible entity met or~~
9 ~~exceeded the entity's objectives regarding~~
10 ~~the retention in postsecondary education of~~
11 ~~the students served by the program;~~
12 ~~"(ii)(I) in the case of an entity that is~~
13 ~~an institution of higher education offering~~
14 ~~a baccalaureate degree, the extent to which~~
15 ~~the entity met or exceeded the entity's ob-~~
16 ~~jectives regarding such students' comple-~~
17 ~~tion of the degree programs in which such~~
18 ~~students were enrolled; or~~
19 ~~"(II) in the case of an entity that is~~
20 ~~an institution of higher education that does~~
21 ~~not offer a baccalaureate degree, the extent~~
22 ~~to which the entity met or exceeded the en-~~
23 ~~tity's objectives regarding—~~
24 ~~"(aa) the completion of a degree~~
25 ~~or certificate by such students; and~~

1 ~~"(bb) the transfer of such stu-~~
2 ~~dents to institutions of higher edu-~~
3 ~~cation that offer baccalaureate de-~~
4 ~~grees;~~
5 ~~"(iii) whether the entity met or ex-~~
6 ~~ceeded the entity's objectives regarding the~~
7 ~~delivery of service to a total number of stu-~~
8 ~~dents, as agreed upon by the entity and~~
9 ~~the Secretary for the period; and~~
10 ~~"(iv) whether the applicant met or ex-~~
11 ~~ceeded the entity's objectives regarding~~
12 ~~such students remaining in good academic~~
13 ~~standing.~~
14 ~~"(D) For programs authorized under sec-~~
15 ~~tion 402E, whether the entity met or exceeded~~
16 ~~the entity's objectives for such program regard-~~
17 ~~ing—~~
18 ~~"(i) the delivery of service to a total~~
19 ~~number of students, as agreed upon by the~~
20 ~~entity and the Secretary for the period;~~
21 ~~"(ii) the provision of appropriate~~
22 ~~scholarly and research activities for the~~
23 ~~students served by the program;~~

~~"(iii) the acceptance and enrollment of such students in graduate programs; and~~

~~"(iv) the attainment of doctoral degrees by former program participants.~~

~~"(E) For programs authorized under section 402F, whether 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 com-~~

~~pleting financial aid applications and college admission applications.'';~~

~~(6) in subsection (g) (as redesignated by paragraph (4))—~~

~~(A) in the first sentence, by striking ''$700,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.'';~~ ~~and~~

~~(B) by striking the fourth sentence; and~~

~~(7) in subsection (h) (as redesignated by paragraph (4))—~~

~~(A) by redesignating paragraphs (1) through (4) as paragraphs (3) through (6), respectively;~~

~~(B) by inserting before paragraph (3) (as redesignated by subparagraph (A)) the following:~~

~~''(1) DIFFERENT CAMPUS.—The term 'different campus' means a site of an institution of higher education that—~~

~~''(A) is geographically apart from the main campus of the institution;~~

~~''(B) is permanent in nature; and~~

1 ~~"(C) offers courses in educational pro-~~
2 ~~grams leading to a degree, certificate, or other~~
3 ~~recognized educational credential.~~
4 ~~"(2) DIFFERENT POPULATION.—The term 'dif-~~
5 ~~ferent population' means a group of individuals, with~~
6 ~~respect to whom an eligible entity desires to serve~~
7 ~~through an application for a grant under this chap-~~
8 ~~ter, that—~~
9 ~~"(A) is separate and distinct from any~~
10 ~~other population that the entity has applied for~~
11 ~~a grant under this chapter to serve; or~~
12 ~~"(B) while sharing some of the same needs~~
13 ~~as another population that the eligible entity~~
14 ~~has applied for a grant under this chapter to~~
15 ~~serve, has distinct needs for specialized serv-~~
16 ~~ices.";~~
17 ~~(C) in paragraph (5) (as redesignated by~~
18 ~~subparagraph (A))—~~
19 ~~(i) in subparagraph (A), by striking~~
20 ~~"or" after the semicolon;~~
21 ~~(ii) in subparagraph (B), by striking~~
22 ~~the period at the end and inserting "; or";~~
23 ~~and~~
24 ~~(iii) by adding at the end the fol-~~
25 ~~lowing:~~

~~"(C) was a member of a reserve component of the Armed Forces called to active duty for a period of more than 180 days."; and~~

~~(D) in paragraph (6), by striking "subparagraph (A) or (B) of paragraph (3)" and inserting "subparagraph (A), (B), or (C) of paragraph (5)".~~

~~(b) TALENT SEARCH.—Section 402B (20 U.S.C. 1070a–12) is amended—~~

~~(1) in subsection (a)—~~

~~(A) in paragraph (1), by striking "to identify qualified youths with potential for education at the postsecondary level and to encourage such youths" and inserting "to encourage eligible youths";~~

~~(B) in paragraph (2), by inserting ", and facilitate the application for," after "the availability of"; and~~

~~(C) in paragraph (3), by striking ", but who have the ability to complete such programs, to reenter" and inserting "to enter or reenter, and complete";~~

~~(2) by redesignating subsection (c) as subsection (d);~~

~~(3) by striking subsection (b) and inserting the following:~~

~~"(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—~~

1 ~~"(A) secondary school reentry;~~

2 ~~"(B) alternative education programs for~~
3 ~~secondary school dropouts that lead to the re-~~
4 ~~ceipt of a regular secondary school diploma;~~

5 ~~"(C) entry into general educational devel-~~
6 ~~opment (GED) programs; or~~

7 ~~"(D) postsecondary education; and~~

8 ~~"(6) education or counseling services designed~~
9 ~~to improve the financial literacy and economic lit-~~
10 ~~eracy of students or their parents, including finan-~~
11 ~~cial planning for postsecondary education.~~

12 ~~"(c) PERMISSIBLE SERVICES.—Any project assisted~~
13 ~~under this section may provide services such as—~~

14 ~~"(1) personal and career counseling or activi-~~
15 ~~ties;~~

16 ~~"(2) information and activities designed to ac-~~
17 ~~quaint youths with the range of career options avail-~~
18 ~~able to the youths;~~

19 ~~"(3) exposure to the campuses of institutions of~~
20 ~~higher education, as well as cultural events, aca-~~
21 ~~demic programs, and other sites or activities not~~
22 ~~usually available to disadvantaged youth;~~

23 ~~"(4) workshops and counseling for families of~~
24 ~~students served;~~

1 ~~"(5) mentoring programs involving elementary~~
2 ~~or secondary school teachers or counselors, faculty~~
3 ~~members at institutions of higher education, stu-~~
4 ~~dents, or any combination of such persons; and~~
5 ~~"(6) programs and activities as described in~~
6 ~~subsection (b) or paragraphs (1) through (5) of this~~
7 ~~subsection that are specially designed for students~~
8 ~~who are limited English proficient, students with~~
9 ~~disabilities, students who are homeless children and~~
10 ~~youths (as such term is defined in section 725 of the~~
11 ~~McKinney-Vento Homeless Assistance Act (42~~
12 ~~U.S.C. 11434a)), or students who are in foster care~~
13 ~~or are aging out of the foster care system."; and~~
14 ~~(4) in the matter preceding paragraph (1) of~~
15 ~~subsection (d) (as redesignated by paragraph (2)),~~
16 ~~by striking "talent search projects under this chap-~~
17 ~~ter" and inserting "projects under this section".~~
18 ~~(c) UPWARD BOUND.—Section 402C (20 U.S.C.~~
19 ~~1070a–13) is amended—~~
20 ~~(1) by striking subsection (b) and inserting the~~
21 ~~following:~~
22 ~~"(b) REQUIRED SERVICES.—Any project assisted~~
23 ~~under this section shall provide—~~
24 ~~"(1) academic tutoring to enable students to~~
25 ~~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 lit-~~

~~eracy of students, including financial planning for postsecondary education.'';~~

~~(2) in subsection (c)—~~

~~(A) in the subsection heading, by striking ''REQUIRED SERVICES'' and inserting ''ADDITIONAL REQUIRED SERVICES FOR MULTIPLE-YEAR GRANT RECIPIENTS''; and~~

~~(B) by striking ''upward bound project assisted under this chapter'' and inserting ''project assisted under this section'';~~

~~(3) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively;~~

~~(4) by inserting after subsection (c) the following:~~

~~''(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;~~

1 ~~"(4) mentoring programs involving elementary~~
2 ~~school or secondary school teachers or counselors,~~
3 ~~faculty members at institutions of higher education,~~
4 ~~students, or any combination of such persons;~~
5 ~~"(5) work-study positions where youth partici-~~
6 ~~pating in the project are exposed to careers requir-~~
7 ~~ing a postsecondary degree;~~
8 ~~"(6) special services to enable veterans to make~~
9 ~~the transition to postsecondary education; and~~
10 ~~"(7) programs and activities as described in~~
11 ~~subsection (b), subsection (c), or paragraphs (1)~~
12 ~~through (6) of this subsection that are specially de-~~
13 ~~signed for students who are limited English pro-~~
14 ~~ficient, students with disabilities, students who are~~
15 ~~homeless children and youths (as such term is de-~~
16 ~~fined in section 725 of the McKinney-Vento Home-~~
17 ~~less Assistance Act (42 U.S.C. 11434a)), or students~~
18 ~~who are in foster care or are aging out of the foster~~
19 ~~care system.";~~
20 ~~(5) in the matter preceding paragraph (1) of~~
21 ~~subsection (c) (as redesignated by paragraph (3)),~~
22 ~~by striking "upward bound projects under this chap-~~
23 ~~ter" and inserting "projects under this section"; and~~
24 ~~(6) in subsection (f) (as redesignated by para-~~
25 ~~graph (3))—~~

~~(A) by striking "during June, July, and August" each place the term occurs and inserting "during the summer school recess, for a period not to exceed 3 months"; and~~

~~(B) by striking "(b)(10)" and inserting "(d)(5)".~~

~~(d) STUDENT SUPPORT SERVICES.—Section 402D (20 U.S.C. 1070a–14) is amended—~~

~~(1) in subsection (a)—~~

~~(A) in paragraph (2), by striking "and" after the semicolon;~~

~~(B) by striking paragraph (3) and inserting the following:~~

~~"(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 Assistance Act (42 U.S.C. 11434a)), and students who are in foster care or are aging out of the foster care system."; and~~

~~(C) by adding at the end the following:~~

~~"(4) to improve the financial literacy and economic literacy of students, including—~~

1 ~~"(A) basic personal income, household~~
2 ~~money management, and financial planning~~
3 ~~skills; and~~
4 ~~"(B) basic economic decisionmaking~~
5 ~~skills.";~~
6 ~~(2) by redesignating subsections (c) and (d) as~~
7 ~~subsections (d) and (c);~~
8 ~~(3) by striking subsection (b) and inserting the~~
9 ~~following:~~
10 ~~"(b) REQUIRED SERVICES.—A project assisted under~~
11 ~~this section shall provide—~~
12 ~~"(1) academic tutoring to enable students to~~
13 ~~complete postsecondary courses, which may include~~
14 ~~instruction in reading, writing, study skills, mathe-~~
15 ~~matics, science, and other subjects;~~
16 ~~"(2) advice and assistance in postsecondary~~
17 ~~course selection;~~
18 ~~"(3)(A) information on both the full range of~~
19 ~~Federal student financial aid programs (including~~
20 ~~Federal Pell Grant awards and loan forgiveness) and~~
21 ~~resources for locating public and private scholar-~~
22 ~~ships; and~~
23 ~~"(B) assistance in completing financial aid ap-~~
24 ~~plications, including the Free Application for Fed-~~
25 ~~eral 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;~~

1 ~~"(4) activities designed to acquaint students~~
2 ~~participating in the project with the range of career~~
3 ~~options available to the students;~~
4 ~~"(5) mentoring programs involving faculty or~~
5 ~~upper class students, or a combination thereof;~~
6 ~~"(6) securing temporary housing during breaks~~
7 ~~in the academic year for students who are homeless~~
8 ~~children and youths (as such term is defined in sec-~~
9 ~~tion 725 of the McKinney-Vento Homeless Assist-~~
10 ~~ance Act (42 U.S.C. 11434a)) or were formerly~~
11 ~~homeless children and youths and students who are~~
12 ~~in foster care or are aging out of the foster care sys-~~
13 ~~tem; and~~
14 ~~"(7) programs and activities as described in~~
15 ~~subsection (b) or paragraphs (1) through (5) of this~~
16 ~~subsection that are specially designed for students~~
17 ~~who are limited English proficient, students with~~
18 ~~disabilities, students who are homeless children and~~
19 ~~youths (as such term is defined in section 725 of the~~
20 ~~McKinney-Vento Homeless Assistance Act (42~~
21 ~~U.S.C. 11434a)) or were formerly homeless children~~
22 ~~and youths, or students who are in foster care or are~~
23 ~~aging out of the foster care system.";~~

~~(4) in subsection (d)(1) (as redesignated by paragraph (2)), by striking "subsection (b)" and inserting "subsection (c)"; and~~

~~(5) in the matter preceding paragraph (1) of subsection (c) (as redesignated by paragraph (2)), by striking "student support services projects under this chapter" and inserting "projects under this section".~~

~~(e) POSTBACCALAUREATE ACHIEVEMENT PROGRAM AUTHORITY.—Section 402E (20 U.S.C. 1070a–15) is amended—~~

~~(1) in subsection (b)—~~

~~(A) in the subsection heading, by inserting "REQUIRED" before "SERVICES";~~

~~(B) in the matter preceding paragraph (1), by striking "A postbaccalaureate achievement project assisted under this section may provide services such as—" and inserting "A project assisted under this section shall provide—";~~

~~(C) in paragraph (5), by inserting "and" after the semicolon;~~

~~(D) in paragraph (6), by striking the semicolon and inserting a period; and~~

~~(E) by striking paragraphs (7) and (8);~~

~~(2) by redesignating subsections (c) through (f) as subsections (d) through (g), respectively;~~

~~(3) by inserting after subsection (b) the following:~~

~~"(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 or their parents, 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.";~~

~~(4) in the matter preceding paragraph (1) of subsection (d) (as redesignated by paragraph (2)), by striking "postbaccalaureate achievement";~~

~~(5) in the matter preceding paragraph (1) of subsection (f) (as redesignated by paragraph (2)), by striking "postbaccalaureate achievement project" and inserting "project under this section"; and~~

~~(6) in subsection (g) (as redesignated by paragraph (2))—~~

~~(A) by striking "402A(f)" and inserting "402A(g)"; and~~

~~(B) by striking "1993 through 1997" and inserting "2006 through 2010".~~

~~(f) EDUCATIONAL OPPORTUNITY CENTERS.—Section 402F (20 U.S.C. 1070a–16) is amended—~~

~~(1) in subsection (a)—~~

~~(A) in paragraph (1), by striking "and" after the semicolon;~~

~~(B) in paragraph (2), by striking the period at the end and inserting "; and"; and~~

~~(C) by adding at the end the following:~~

~~"(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."; and~~

~~(2) in subsection (b)—~~

~~(A) by redesignating paragraphs (5) through (10) as paragraphs (6) through (11), respectively;~~

~~(B) by inserting after paragraph (4) the following:~~

1 ~~"(5) education or counseling services designed~~
2 ~~to improve the financial literacy and economic lit-~~
3 ~~eracy of students or their parents;";~~
4 ~~(C) by striking paragraph (7) (as redesig-~~
5 ~~nated by subparagraph (A)) and inserting the~~
6 ~~following:~~
7 ~~"(7) individualized personal, career, and aca-~~
8 ~~demic counseling;"; and~~
9 ~~(D) by striking paragraph (11) (as redesig-~~
10 ~~nated by subparagraph (A)) and inserting the~~
11 ~~following:~~
12 ~~"(11) programs and activities as described in~~
13 ~~paragraphs (1) through (10) that are specially de-~~
14 ~~signed for students who are limited English pro-~~
15 ~~ficient, students with disabilities, or students who~~
16 ~~are homeless children and youths (as such term is~~
17 ~~defined in section 725 of the McKinney-Vento~~
18 ~~Homeless Assistance Act (42 U.S.C. 11434a)), or~~
19 ~~programs and activities for students who are in fos-~~
20 ~~ter care or are aging out of the foster care system.".~~
21 ~~(g) STAFF DEVELOPMENT ACTIVITIES.—Section~~
22 ~~402G(b)(3) (20 U.S.C. 1070a–17(b)(3)) is amended by in-~~
23 ~~serting ", including strategies for recruiting and serving~~
24 ~~students who are homeless children and youths (as such~~
25 ~~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'' before the period at the end.~~

~~(h) REPORTS, EVALUATIONS, AND GRANTS FOR PROJECT IMPROVEMENT AND DISSEMINATION.—Section 402H (20 U.S.C. 1070a–18) is amended—~~

~~(1) by striking the section heading and inserting ''**REPORTS, EVALUATIONS, AND GRANTS FOR PROJECT IMPROVEMENT AND DISSEMINATION**.'';~~

~~(2) by redesignating subsections (a) through (c) as subsections (b) through (d), respectively; and~~

~~(3) by inserting before subsection (b) (as redesignated by paragraph (2)) the following:~~

~~''(a) REPORT TO CONGRESS.—At least once every 2-year period, the Secretary shall prepare and submit to Congress a report on the outcomes achieved by the programs authorized under this chapter. Such report shall include a statement for the preceding fiscal year specifying—~~

~~''(1) the number of grants awarded during each fiscal year, and the number of individuals served by the programs carried out under such grants;~~

1 ~~"(2) the number of entities that received grants~~
2 ~~during the fiscal year, including the number of enti-~~
3 ~~ties that—~~
4 ~~"(A) received a grant to carry out a pro-~~
5 ~~gram under this chapter for the fiscal year; and~~
6 ~~"(B) had not received funding for that~~
7 ~~particular program during the previous grant~~
8 ~~cycle;~~
9 ~~"(3) a comparison of the number and percent-~~
10 ~~age of grant awards made to entities described in~~
11 ~~paragraph (2), with the number of such entities~~
12 ~~funded through discretionary grant competitions~~
13 ~~conducted by the Secretary under this chapter in the~~
14 ~~3 grant cycles preceding the fiscal year;~~
15 ~~"(4) information on the number of individuals~~
16 ~~served in each program authorized under this chap-~~
17 ~~ter; and~~
18 ~~"(5) information on the outcomes achieved by~~
19 ~~each program authorized under this chapter, includ-~~
20 ~~ing the outcome criteria described in section 402A(f)~~
21 ~~for each program.".~~

~~SEC. 403. GAINING EARLY AWARENESS AND READINESS FOR UNDERGRADUATE PROGRAMS.~~

~~(a) EARLY INTERVENTION AND COLLEGE AWARENESS PROGRAM AUTHORIZED.—Section 404A (20 U.S.C. 1070a–21) is amended—~~

~~(1) by striking subsection (a) and inserting the following:~~

~~"(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.";~~

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

~~"(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;"; and~~

~~(3) by striking subsection (c)(2) and inserting the following:~~

~~"(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.".~~

~~(b) REQUIREMENTS.—Section 404B (20 U.S.C. 1070a–22) is amended—~~

~~(1) by striking subsection (a) and inserting the following:—~~

1 ~~"(a) FUNDING RULES.—~~

2 ~~"(1) DISTRIBUTION.—In awarding grants from~~
3 ~~the amount appropriated under section 404G for a~~
4 ~~fiscal year, the Secretary shall take into consider-~~
5 ~~ation—~~

6 ~~"(A) the geographic distribution of such~~
7 ~~awards; and~~

8 ~~"(B) the distribution of such awards be-~~
9 ~~tween urban and rural applicants.~~

10 ~~"(2) SPECIAL RULE.—The Secretary shall an-~~
11 ~~nually reevaluate the distribution of funds described~~
12 ~~in paragraph (1) based on number, quality, and~~
13 ~~promise of the applications.";~~

14 ~~(2) by striking subsections (b), (c), and (f);~~

15 ~~(3) by redesignating subsections (e), (d), and~~
16 ~~(g) as subsections (b), (c), and (d), respectively; and~~

17 ~~(4) by adding at the end the following:~~

18 ~~"(e) SUPPLEMENT, NOT SUPPLANT.—Grant funds~~
19 ~~awarded under this chapter shall be used to supplement,~~
20 ~~and not supplant, other Federal, State, and local funds~~
21 ~~that would otherwise be expended to carry out activities~~
22 ~~assisted under this chapter.".~~

23 ~~(c) APPLICATION.—Section 404C (20 U.S.C. 1070a–~~
24 ~~23) is amended—~~

(1) in the section heading, by striking "**ELIGIBLE ENTITY PLANS**" and inserting "**APPLICATIONS**";

(2) in subsection (a)—

(A) in the subsection heading, by striking "PLAN" and inserting "APPLICATION";

(B) in paragraph (1)—

(i) by striking "a plan" and inserting "an application"; and

(ii) by striking the second sentence; and

(C) by striking paragraph (2) and inserting the following:

"(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 404A(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 cohort 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 coordinate programs with other existing Federal, State, or local programs to avoid duplica-~~

~~tion 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.";~~

~~(3) in the matter preceding subparagraph (A) of subsection (b)(1)—~~

~~(A) by striking "a plan" and inserting "an application"; and~~

~~(B) by striking "such plan" and inserting "such application"; and~~

~~(4) in subsection (c)(1), by striking the semicolon at the end and inserting "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;".~~

1 ~~(d) ACTIVITIES.—Section 404D (20 U.S.C. 1070a–~~
2 ~~24) is amended to read as follows:~~
3 ~~**"SEC. 404D. ACTIVITIES.**~~
4 ~~"(a) REQUIRED ACTIVITIES.—Each eligible entity re-~~
5 ~~ceiving a grant under this chapter shall carry out the fol-~~
6 ~~lowing:~~
7 ~~"(1) Provide information regarding financial~~
8 ~~aid for postsecondary education to participating stu-~~
9 ~~dents in the cohort described in subsection~~
10 ~~404B(d)(1)(A).~~
11 ~~"(2) Encourage student enrollment in rigorous~~
12 ~~and challenging curricula and coursework, in order~~
13 ~~to reduce the need for remedial coursework at the~~
14 ~~postsecondary level.~~
15 ~~"(3) Support activities designed to improve the~~
16 ~~number of participating students who—~~
17 ~~"(A) obtain a secondary school diploma;~~
18 ~~and~~
19 ~~"(B) complete applications for and enroll~~
20 ~~in a program of postsecondary education.~~
21 ~~"(4) In the case of an eligible entity described~~
22 ~~in section 404A(c)(1), provide for the scholarships~~
23 ~~described in section 404E.~~
24 ~~"(b) OPTIONAL ACTIVITIES FOR STATES AND PART-~~
25 ~~NERSHIPS.—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) achieving challenging academic standards;~~

1 ~~"(B) successfully applying for postsec-~~
2 ~~ondary education;~~
3 ~~"(C) successfully applying for student fi-~~
4 ~~nancial aid; and~~
5 ~~"(D) developing graduation and career~~
6 ~~plans.~~
7 ~~"(6) Providing support for scholarships de-~~
8 ~~scribed in section 404E.~~
9 ~~"(7) Introducing eligible students to institutions~~
10 ~~of higher education, through trips and school-based~~
11 ~~sessions.~~
12 ~~"(8) Providing an intensive extended school~~
13 ~~day, school year, or summer program that offers—~~
14 ~~"(A) additional academic classes; or~~
15 ~~"(B) assistance with college admission ap-~~
16 ~~plications.~~
17 ~~"(9) Providing other activities designed to en-~~
18 ~~sure secondary school completion and postsecondary~~
19 ~~education enrollment of at-risk children, such as—~~
20 ~~"(A) the identification of at-risk children;~~
21 ~~"(B) after-school and summer tutoring;~~
22 ~~"(C) assistance to at-risk children in ob-~~
23 ~~taining summer jobs;~~
24 ~~"(D) academic counseling;~~
25 ~~"(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 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 ~~"(1) Providing technical assistance to—~~

2 ~~"(A) middle schools or secondary schools~~

3 ~~that are located within the State; or~~

4 ~~"(B) partnerships described in section~~

5 ~~404A(c)(2) that are located within the State.~~

6 ~~"(2) Providing professional development oppor-~~

7 ~~tunities to individuals working with eligible cohorts~~

8 ~~of students described in section 404B(d)(1)(A).~~

9 ~~"(3) Providing strategies and activities that~~

10 ~~align efforts in the State to prepare eligible students~~

11 ~~for attending and succeeding in postsecondary edu-~~

12 ~~cation, which may include the development of grad-~~

13 ~~uation and career plans.~~

14 ~~"(4) Disseminating information on the use of~~

15 ~~scientifically based research and best practices to~~

16 ~~improve services for eligible students.~~

17 ~~"(5)(A) Disseminating information on effective~~

18 ~~coursework and support services that assist students~~

19 ~~in obtaining the goals described in subparagraph~~

20 ~~(B)(ii).~~

21 ~~"(B) Identifying and disseminating information~~

22 ~~on best practices with respect to—~~

23 ~~"(i) increasing parental involvement; and~~

24 ~~"(ii) preparing students, including students~~

25 ~~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 ~~"(1) to be counted under section 1124(c) of the~~
2 ~~Elementary and Secondary Education Act of 1965;~~
3 ~~"(2) for free or reduced price meals under the~~
4 ~~Richard B. Russell National School Lunch Act;~~
5 ~~"(3) for assistance under a State program~~
6 ~~funded under part A or E of title IV of the Social~~
7 ~~Security Act (42 U.S.C. 601 et seq., 670 et seq.);~~
8 ~~or~~
9 ~~"(4) for assistance under subtitle B of title VII~~
10 ~~of the McKinney-Vento Homeless Assistance Act (42~~
11 ~~U.S.C. 11431 et seq.).~~
12 ~~"(c) ALLOWABLE PROVIDERS.—In the case of eligible~~
13 ~~entities described in section 404A(c)(1), the activities re-~~
14 ~~quired by this section may be provided by service providers~~
15 ~~such as community-based organizations, schools, institu-~~
16 ~~tions of higher education, public and private agencies,~~
17 ~~nonprofit and philanthropic organizations, businesses, in-~~
18 ~~stitutions and agencies sponsoring programs authorized~~
19 ~~under subpart 4, and other organizations the State deter-~~
20 ~~mines appropriate.".~~
21 ~~(c) SCHOLARSHIP COMPONENT.—Section 404E (20~~
22 ~~U.S.C. 1070a–25) is amended—~~
23 ~~(1) by striking subsections (e) and (f);~~
24 ~~(2) by redesignating subsections (b), (c), and~~
25 ~~(d) as subsections (d), (f), and (g), respectively;~~

~~(3) by inserting after subsection (a) the following:~~

~~"(b) LIMITATION.—~~

~~"(1) IN GENERAL.—Subject to paragraph (2), each eligible entity described in section 404A(c)(1) 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(c), with the remainder of such funds to be used for a scholarship program under this section.~~

~~"(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 assistance 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 stu-~~

~~dents' entry into the programs assisted under this chapter.";~~

~~(4) in subsection (d) (as redesignated by paragraph (2)), by striking "the lesser of" and all that follows through the period at the end of paragraph (2) and inserting "the minimum Federal Pell Grant award under section 401 for such award year.";~~

~~(5) by inserting after subsection (d) (as redesignated by paragraph (2) and amended by paragraph (4)) the following:~~

~~"(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—~~

1 ~~"(A) completed a secondary school di-~~
2 ~~ploma, its recognized equivalent, or other recog-~~
3 ~~nized alternative standard for individuals with~~
4 ~~disabilities; and~~
5 ~~"(B) enrolled in an institution of higher~~
6 ~~education.~~
7 ~~"(3) QUALIFIED EDUCATIONAL EXPENSES.—~~
8 ~~Funds available to an eligible student from a trust~~
9 ~~may be used for—~~
10 ~~"(A) tuition, fees, books, supplies, and~~
11 ~~equipment required for the enrollment or at-~~
12 ~~tendance of the eligible student at an institution~~
13 ~~of higher education; and~~
14 ~~"(B) in the case of an eligible student with~~
15 ~~special needs, expenses for special needs serv-~~
16 ~~ices which are incurred in connection with such~~
17 ~~enrollment or attendance.~~
18 ~~"(4) RETURN OF FUNDS.—~~
19 ~~"(A) REDISTRIBUTION.—~~
20 ~~"(i) IN GENERAL.—Trust funds that~~
21 ~~are not used by an eligible student within~~
22 ~~6 years of the student's scheduled comple-~~
23 ~~tion of secondary school may be redistrib-~~
24 ~~uted by the eligible entity to other eligible~~
25 ~~students.~~

1 ~~"(ii) RETURN OF EXCESS TO THE~~
2 ~~SECRETARY.—If, after meeting the require-~~
3 ~~ments of paragraph (1) and, if applicable,~~
4 ~~redistributing excess funds in accordance~~
5 ~~with clause (i), an eligible entity has funds~~
6 ~~remaining, the eligible entity shall return~~
7 ~~excess funds to the Secretary for distribu-~~
8 ~~tion to other grantees under this chapter.~~
9 ~~"(B) NONPARTICIPATING ENTITY.—Not-~~
10 ~~withstanding subparagraph (A), in the case of~~
11 ~~an eligible entity described in section~~
12 ~~404A(c)(1)(A) that does not receive assistance~~
13 ~~under this subpart for 6 fiscal years, the eligi-~~
14 ~~ble entity shall return any trust funds not~~
15 ~~awarded or obligated to eligible students to the~~
16 ~~Secretary for distribution to other grantees~~
17 ~~under this chapter."; and~~
18 ~~(6) in subsection (g) (as redesignated by para-~~
19 ~~graph (2))—~~
20 ~~(A) in paragraph (2), by striking "1993"~~
21 ~~and inserting "2000"; and~~
22 ~~(B) in paragraph (4), by striking "early~~
23 ~~intervention component required under section~~
24 ~~404D" and inserting "activities required under~~
25 ~~section 404D(a)".~~

~~(f) REPEAL OF 21ST CENTURY SCHOLAR CERTIFICATES.—Chapter 2 of subpart 2 of part A of title IV (20 U.S.C. 1070a–21 et seq.) is further amended—~~

~~(1) by striking section 404F; and~~

~~(2) by redesignating sections 404G and 404H as sections 404F and 404G, respectively.~~

~~(g) AUTHORIZATION OF APPROPRIATIONS.—Section 404G (as redesignated by subsection (f)) (20 U.S.C. 1070a–28) is amended by striking "$200,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.".~~

~~(h) CONFORMING AMENDMENTS.—Chapter 2 of subpart 2 of part A of title IV (20 U.S.C. 1070a–21 et seq.) is further amended—~~

~~(1) in section 404A(b)(1), by striking "404H" and inserting "404G";~~

~~(2) in section 404B(a)(1), by striking "404H" and inserting "404G"; and~~

~~(3) in section 404F(c) (as redesignated by section 6(2)), by striking "404H" and inserting "404G".~~

~~SEC. 404. ACADEMIC ACHIEVEMENT INCENTIVE SCHOLARSHIPS.~~

~~Chapter 3 of subpart 2 of part A of title IV (20 U.S.C. 1070a–31 et seq.) is repealed.~~

~~SEC. 405. FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS.~~

~~(a) APPROPRIATIONS AUTHORIZED.—Section 413A(b)(1) (20 U.S.C. 1070b(b)(1)) is amended by striking "$675,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.".~~

~~(b) ALLOCATION OF FUNDS.—~~

~~(1) ALLOCATION OF FUNDS.—Section 413D (20 U.S.C. 1070b–3) is amended—~~

~~(A) by striking subsection (a)(4); and~~

~~(B) in subsection (c)(3)(D), by striking "$450" and inserting "$600".~~

~~(2) TECHNICAL CORRECTION.—Section 413D(a)(1) (20 U.S.C. 1070b–3(a)(1)) is amended by striking "such institution" and all that follows through the period and inserting "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).".~~

1 **~~SEC. 406. LEVERAGING EDUCATIONAL ASSISTANCE PART-~~**
2 **~~NERSHIP PROGRAM.~~**

3 ~~(a) APPROPRIATIONS AUTHORIZED.—Section~~
4 ~~415A(b)(1) (20 U.S.C. 1070c(b)(1)) is amended to read~~
5 ~~as follows:~~

6 ~~"(1) IN GENERAL.—There are authorized to be~~
7 ~~appropriated to carry out this subpart such sums as~~
8 ~~may be necessary for fiscal year 2006 and each of~~
9 ~~the 5 succeeding fiscal years.".~~

10 ~~(b) APPLICATIONS.—Section 415C(b) (20 U.S.C.~~
11 ~~1070c–2(b)) is amended—~~

12 ~~(1) in the matter preceding subparagraph (A)~~
13 ~~of paragraph (2), by striking "not in excess of~~
14 ~~$5,000 per academic year" and inserting "not to ex-~~
15 ~~ceed the lesser of $12,500 or the student's cost of~~
16 ~~attendance per academic year"; and~~

17 ~~(2) by striking paragraph (10) and inserting~~
18 ~~the following:~~

19 ~~"(10) provides notification to eligible students~~
20 ~~that such grants are—~~

21 ~~"(A) Leveraging Educational Assistance~~
22 ~~Partnership grants; and~~

23 ~~"(B) funded by the Federal Government,~~
24 ~~the State, and other contributing partners.".~~

1 ~~(c) GRANTS FOR ACCESS AND PERSISTENCE.—Sec-~~
2 ~~tion 415E (20 U.S.C. 1070c–3a) is amended to read as~~
3 ~~follows:~~
4 **~~"SEC. 415E. GRANTS FOR ACCESS AND PERSISTENCE.~~**
5 ~~"(a) PURPOSE.—It is the purpose of this section to~~
6 ~~expand college access and increase college persistence by~~
7 ~~making allotments to States to enable the States to—~~
8 ~~"(1) expand and enhance partnerships with in-~~
9 ~~stitutions of higher education, early information and~~
10 ~~intervention, mentoring, or outreach programs, pri-~~
11 ~~vate corporations, philanthropic organizations, and~~
12 ~~other interested parties in order to—~~
13 ~~"(A) carry out activities under this section;~~
14 ~~and~~
15 ~~"(B) provide coordination and cohesion~~
16 ~~among Federal, State, and local governmental~~
17 ~~and private efforts that provide financial assist-~~
18 ~~ance to help low-income students attend an in-~~
19 ~~stitution of higher education;~~
20 ~~"(2) provide need-based grants for access and~~
21 ~~persistence to eligible low-income students;~~
22 ~~"(3) provide early notification to low-income~~
23 ~~students of the students' eligibility for financial aid;~~
24 ~~and~~

1 ~~"(4) encourage increased participation in early~~
2 ~~information and intervention, mentoring, or outreach~~
3 ~~programs.~~
4 ~~"(b) ALLOTMENTS TO STATES.—~~
5 ~~"(1) IN GENERAL.—~~
6 ~~"(A) AUTHORIZATION.—From sums re-~~
7 ~~served under section 415A(b)(2) for each fiscal~~
8 ~~year, the Secretary shall make an allotment to~~
9 ~~each State that submits an application for an~~
10 ~~allotment in accordance with subsection (c) to~~
11 ~~enable the State to pay the Federal share, as~~
12 ~~described in paragraph (2), of the cost of car-~~
13 ~~rying out the activities under subsection (d).~~
14 ~~"(B) DETERMINATION OF ALLOTMENT.—~~
15 ~~In making allotments under subparagraph (A),~~
16 ~~the Secretary shall consider the following:~~
17 ~~"(i) CONTINUATION OF AWARD.—If a~~
18 ~~State continues to meet the specifications~~
19 ~~established in such State's application~~
20 ~~under subsection (c), the Secretary shall~~
21 ~~make an allotment to such State that is~~
22 ~~not less than the allotment made to such~~
23 ~~State for the previous fiscal year.~~
24 ~~"(ii) PRIORITY.—The Secretary shall~~
25 ~~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.~~

1 ~~"(ii) If a State applies for an allot-~~
2 ~~ment under this section in partnership~~
3 ~~with—~~
4 ~~"(I) any number of degree grant-~~
5 ~~ing institutions of higher education in~~
6 ~~the State whose combined full-time~~
7 ~~enrollment represents a majority of all~~
8 ~~students attending institutions of~~
9 ~~higher education in the State; and~~
10 ~~"(II)(aa) philanthropic organiza-~~
11 ~~tions that are located in, or that pro-~~
12 ~~vide funding in, the State; or~~
13 ~~"(bb) private corporations that~~
14 ~~are located in, or that do business in,~~
15 ~~the State,~~
16 ~~then the Federal share of the cost of car-~~
17 ~~rying out the activities under subsection~~
18 ~~(d) shall be equal to 57 percent.~~
19 ~~"(B) NON-FEDERAL SHARE.—~~
20 ~~"(i) IN GENERAL.—The non-Federal~~
21 ~~share under this section may be provided~~
22 ~~in cash or in kind, fully evaluated and in~~
23 ~~accordance with this subparagraph.~~
24 ~~"(ii) IN KIND CONTRIBUTION.—For~~
25 ~~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 be considered a resource and not a reduction in the cost of attendance.~~

~~"(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 partnerships with nonprofit organizations or community-based organizations in which such organizations match State funds for student schol-~~

~~arships, may apply such matching funds from such organizations toward fulfilling 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~~

1 ~~"(ii) private corporation located in, or~~
2 ~~that does business in, the State.~~
3 ~~"(4) ROLES OF PARTNERS.—~~
4 ~~"(A) STATE AGENCY.—A State agency~~
5 ~~that is in a partnership receiving an allotment~~
6 ~~under this section—~~
7 ~~"(i) shall—~~
8 ~~"(I) serve as the primary admin-~~
9 ~~istrative unit for the partnership;~~
10 ~~"(II) provide or coordinate non-~~
11 ~~Federal share funds, and coordinate~~
12 ~~activities among partners;~~
13 ~~"(III) encourage each institution~~
14 ~~of higher education in the State to~~
15 ~~participate in the partnership;~~
16 ~~"(IV) make determinations and~~
17 ~~early notifications of assistance as de-~~
18 ~~scribed under subsection (d)(2); and~~
19 ~~"(V) annually report to the Sec-~~
20 ~~retary on the partnership's progress~~
21 ~~in meeting the purpose of this section;~~
22 ~~and~~
23 ~~"(ii) may provide early information~~
24 ~~and intervention, mentoring, or outreach~~
25 ~~programs.~~

1 ~~"(B) DEGREE GRANTING INSTITUTIONS OF~~
2 ~~HIGHER EDUCATION.—A degree granting insti-~~
3 ~~tution of higher education that is in a partner-~~
4 ~~ship receiving an allotment under this section—~~
5 ~~"(i) shall—~~
6 ~~"(I) recruit and admit partici-~~
7 ~~pating qualified students and provide~~
8 ~~such additional institutional grant aid~~
9 ~~to participating students as agreed to~~
10 ~~with the State agency;~~
11 ~~"(II) provide support services to~~
12 ~~students who receive grants for access~~
13 ~~and persistence under this section and~~
14 ~~are enrolled at such institution; and~~
15 ~~"(III) assist the State in the~~
16 ~~identification of eligible students and~~
17 ~~the dissemination of early notifica-~~
18 ~~tions of assistance as agreed to with~~
19 ~~the State agency; and~~
20 ~~"(ii) may provide funding for early in-~~
21 ~~formation and intervention, mentoring, or~~
22 ~~outreach programs or provide such services~~
23 ~~directly.~~
24 ~~"(C) PROGRAMS.—An early information~~
25 ~~and intervention, mentoring, or outreach pro-~~

~~gram 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 students receive under this subpart for undergraduate education expenses.~~

~~"(B) AMOUNT OF GRANTS.—~~

1 ~~"(i) PARTNERSHIPS WITH INSTITU-~~
2 ~~TIONS SERVING LESS THAN A MAJORITY~~
3 ~~OF STUDENTS IN THE STATE.—~~
4 ~~"(I) IN GENERAL.—In the case~~
5 ~~where a State receiving an allotment~~
6 ~~under this section is in a partnership~~
7 ~~described in subsection (b)(2)(B)(i),~~
8 ~~the amount of a grant for access and~~
9 ~~persistence awarded by such State~~
10 ~~shall be not less than the amount that~~
11 ~~is equal to the average undergraduate~~
12 ~~tuition and mandatory fees at 4-year~~
13 ~~public institutions of higher education~~
14 ~~in the State where the student resides~~
15 ~~(less any other Federal or State spon-~~
16 ~~sored grant amount, work study~~
17 ~~amount, and scholarship amount re-~~
18 ~~ceived by the student), and such~~
19 ~~amount shall be used toward the cost~~
20 ~~of attendance at an institution of~~
21 ~~higher education, located in the State,~~
22 ~~that is a partner in the partnership.~~
23 ~~"(II) COST OF ATTENDANCE.—A~~
24 ~~State that has a program, apart from~~
25 ~~the partnership under this section, of~~

~~providing eligible low-income students with grants that are equal to the average undergraduate tuition and mandatory fees at 4-year public institutions of higher education in the State, may increase the amount of access and persistence grants awarded by such State up to an amount that is equal to the average cost of attendance at 4-year public institutions of higher education in the State (less any other Federal or State sponsored grant amount, work study amount, and scholarship amount received by the student).~~

~~"(ii) PARTNERSHIP WITH INSTITUTIONS SERVING THE MAJORITY OF STUDENTS IN THE STATE.—In the case where a State receiving an allotment under this section is in a partnership described in subsection (b)(2)(B)(ii), the amount of an access and persistence grant awarded by such State shall be not more than an amount that is equal to the average at 4-year public institutions of higher education~~

~~in the State where the student resides (less any other Federal or State sponsored grant amount, college work study amount, and scholarship amount received by the student), and such amount shall be used by the student to attend an institution of higher education, located in the State, that is a partner in the partnership.~~

~~"(2) EARLY NOTIFICATION.—~~

~~"(A) IN GENERAL.—Each State receiving an allotment under this section shall annually notify low-income students, such as students who are eligible to receive a free lunch under the school lunch program established under the Richard B. Russell National School Lunch Act, in grade 7 through grade 12 in the State, of the students' potential eligibility for student financial assistance, including an access and persistence grant, to attend an institution of higher education.~~

~~"(B) CONTENT OF NOTICE.—The notification under subparagraph (A)—~~

~~"(i) shall include—~~

~~"(I) information about early information and intervention, men-~~

~~toring, or outreach programs available to the student;~~

~~"(II) information that a student's candidacy for an access and persistence grant is enhanced through participation in an early information and intervention, mentoring, or outreach program;~~

~~"(III) an explanation that student and family eligibility and participation in other Federal means-tested programs may indicate eligibility for an access and persistence grant and other student aid programs;~~

~~"(IV) a nonbinding estimation of the total amount of financial aid a low-income student with a similar income level may expect to receive, including an estimation of the amount of an access and persistence grant and an estimation of the amount of grants, loans, and all other available types of aid from the major Federal and State financial aid programs;~~

1 ~~"(V) an explanation that in order~~
2 ~~to be eligible for an access and per-~~
3 ~~sistence grant, at a minimum, a stu-~~
4 ~~dent shall—~~
5 ~~"(aa) meet the requirement~~
6 ~~under paragraph (3);~~
7 ~~"(bb) graduate from sec-~~
8 ~~ondary school; and~~
9 ~~"(cc) enroll at an institution~~
10 ~~of higher education that is a~~
11 ~~partner in the partnership;~~
12 ~~"(VI) information on any addi-~~
13 ~~tional requirements (such as a student~~
14 ~~pledge detailing student responsibil-~~
15 ~~ities) that the State may impose for~~
16 ~~receipt of an access and persistence~~
17 ~~grant under this section; and~~
18 ~~"(VII) instructions on how to~~
19 ~~apply for an access and persistence~~
20 ~~grant and an explanation that a stu-~~
21 ~~dent is required to file a Free Applica-~~
22 ~~tion for Federal Student Aid author-~~
23 ~~ized under section 483(a) to be eligi-~~
24 ~~ble for such grant and assistance from~~

~~other Federal and State financial aid programs; and~~

~~"(ii) may include a disclaimer that access and persistence grant awards are contingent upon—~~

~~"(I) a determination of the student's financial eligibility at the time of the student's enrollment at an institution of higher education that is a partner in the partnership;~~

~~"(II) annual Federal and State appropriations; and~~

~~"(III) other aid received by the student at the time of the student's enrollment at an institution of higher education that is a partner in the partnership.~~

~~"(3) ELIGIBILITY.—In determining which students are eligible to receive access and persistence grants, the State shall ensure that each such student 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:~~

1 ~~"(i) Has an expected family contribu-~~
2 ~~tion equal to zero (as described in section~~
3 ~~479) or a comparable alternative based~~
4 ~~upon the State's approved criteria in sec-~~
5 ~~tion 415C(b)(4).~~
6 ~~"(ii) Has qualified for a free lunch, or~~
7 ~~at the State's discretion a reduced price~~
8 ~~lunch, under the school lunch program es-~~
9 ~~tablished under the Richard B. Russell Na-~~
10 ~~tional School Lunch Act.~~
11 ~~"(iii) Qualifies for the State's max-~~
12 ~~imum undergraduate award, as authorized~~
13 ~~under section 415C(b).~~
14 ~~"(iv) Is participating in, or has par-~~
15 ~~ticipated in, a Federal, State, institutional,~~
16 ~~or community early information and inter-~~
17 ~~vention, mentoring, or outreach program,~~
18 ~~as recognized by the State agency admin-~~
19 ~~istering activities under this section.~~
20 ~~"(B) Is receiving, or has received, an ac-~~
21 ~~cess and persistence grant under this section, in~~
22 ~~accordance with paragraph (5).~~
23 ~~"(4) GRANT AWARD.—Once a student, includ-~~
24 ~~ing those students who have received early notifica-~~
25 ~~tion 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 access and persistence grant award certificate with tentative award amounts; and

"(B) inform the student that payment of the access and persistence grant award amounts is subject to certification of enrollment and award eligibility by the institution of higher education.

"(5) DURATION OF AWARD.—An eligible student that receives an access and persistence grant under this section shall receive such grant award for each year of such student's undergraduate education in which the student remains eligible for assistance under this title, including pursuant to section 484(c), and remains financially eligible as determined by the State, except that the State may impose reasonable time limits to baccalaureate degree completion.

"(c) 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)(B)(ii) and that receives an allotment under this section, a waiver for such institution from statutory or regulatory requirements that inhibit the ability of the institution to successfully and efficiently participate in the activities of the partnership.~~

~~"(g) APPLICABILITY RULE.—The provisions of this subpart which are not inconsistent with this section shall apply to the program authorized by this section.~~

~~"(h) MAINTENANCE OF EFFORT REQUIREMENT.—Each State receiving an allotment under this section for a fiscal year shall provide the Secretary 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.~~

1 ~~"(i) SPECIAL RULE.—Notwithstanding subsection~~
2 ~~(h), for purposes of determining a State's share of the cost~~
3 ~~of the authorized activities described in subsection (d), the~~
4 ~~State shall consider only those expenditures from non-~~
5 ~~Federal sources that exceed the State's total expenditures~~
6 ~~for need-based grants, scholarships, and work-study as-~~
7 ~~sistance for fiscal year 1999 (including any such assist-~~
8 ~~ance provided under this subpart).~~

9 ~~"(j) REPORTS.—Not later than 3 years after the date~~
10 ~~of enactment of the Higher Education Amendments of~~
11 ~~2005 and annually thereafter, the Secretary shall submit~~
12 ~~a report describing the activities and the impact of the~~
13 ~~partnerships under this section to the authorizing commit-~~
14 ~~tees.".~~

15 **~~SEC. 407. SPECIAL PROGRAMS FOR STUDENTS WHOSE FAM-~~**
16 **~~ILIES ARE ENGAGED IN MIGRANT AND SEA-~~**
17 **~~SONAL FARMWORK.~~**

18 ~~Section 418A (20 U.S.C. 1070d–2) is amended—~~

19 ~~(1) in subsection (a), by adding "(including~~
20 ~~providing outreach and technical assistance)" after~~
21 ~~"maintain and expand";~~

22 ~~(2) in subsection (b)—~~

23 ~~(A) in paragraph (1)(B)(i), by striking~~
24 ~~"parents" and inserting "immediate family";~~

~~(B) in paragraph (3)(B), by inserting "(including preparation for college entrance examinations)" after "college program";~~

~~(C) in paragraph (5), by striking "weekly";~~

~~(D) in paragraph (7), by striking "and" after the semicolon;~~

~~(E) in paragraph (8), by striking the period at the end and inserting "; and"; and~~

~~(F) by adding at the end the following:~~

~~"(9) other activities to improve persistence and retention in postsecondary education.";~~

~~(3) in subsection (c)—~~

~~(A) in paragraph (1)—~~

~~(i) in subparagraph (B)—~~

~~(I) in the matter preceding clause (i), by inserting "to improve placement, persistence, and retention in postsecondary education" after "services"; and~~

~~(II) in clause (i), by striking "and career" and inserting "career, and economic education or personal finance";~~

~~(ii) in subparagraph (E), by striking "and" after the semicolon;~~

~~(iii) by redesignating subparagraph (F) as subparagraph (G); and~~

~~(iv) by inserting after subparagraph (E) the following:~~

~~"(F) internships; and"; and~~

~~(B) in paragraph (2)—~~

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

~~(ii) in subparagraph (B), by striking the period at the end and inserting ", and coordinating such services, assistance, and aid with other non-program services, assistance, and aid, including services, assistance, and aid provided by community-based organizations, which may include mentoring and guidance; and"; and~~

~~(iii) by adding at the end the following:~~

~~"(C) for students attending 2-year institutions of higher education, encouraging the students to transfer to 4-year institutions of higher education, where appropriate, and monitoring the rate of transfer of such students.";~~

~~(4) in subsection (c), by striking "section 402A(c)(1)" and inserting "section 402A(c)(2)";~~

~~(5) in subsection (f)—~~

~~(A) in paragraph (1), by striking "$150,000" and inserting "$180,000"; and~~

~~(B) in paragraph (2), by striking "$150,000" and inserting "$180,000"; and~~

~~(6) in subsection (h)—~~

~~(A) in paragraph (1), by striking "$15,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years."; and~~

~~(B) in paragraph (2), by striking "$5,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.".~~

~~SEC. 408. ROBERT C. BYRD HONORS SCHOLARSHIP PROGRAM.~~

~~Section 419K (20 U.S.C. 1070d–41) is amended by striking "$45,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.".~~

1 **~~SEC. 409. CHILD CARE ACCESS MEANS PARENTS IN~~**
2 **~~SCHOOL.~~**
3 ~~(a) MINIMUM GRANT.—Section 419N(b)(2)(B) (20~~
4 ~~U.S.C. 1070c(b)(2)(B)) is amended—~~
5 ~~(1) by striking "A grant" and inserting the fol-~~
6 ~~lowing:~~
7 ~~"(i) IN GENERAL.—Except as pro-~~
8 ~~vided in clause (ii), a grant"; and~~
9 ~~(2) by adding at the end the following:~~
10 ~~"(ii) INCREASE TRIGGER.—For any~~
11 ~~fiscal year for which the amount appro-~~
12 ~~priated under the authority of subsection~~
13 ~~(g) is equal to or greater than~~
14 ~~$20,000,000, a grant under this section~~
15 ~~shall be awarded in an amount that is not~~
16 ~~less than $30,000.".~~
17 ~~(b) DEFINITION OF LOW-INCOME STUDENT.—Para-~~
18 ~~graph (7) of section 419N(b) (20 U.S.C. 1070c(b)) is~~
19 ~~amended to read as follows:~~
20 ~~"(7) DEFINITION OF LOW-INCOME STUDENT.—~~
21 ~~For the purpose of this section, the term 'low-income~~
22 ~~student' means a student who—~~
23 ~~"(A) is eligible to receive a Federal Pell~~
24 ~~Grant for the fiscal year for which the deter-~~
25 ~~mination is made; or~~

1 ~~"(B) would otherwise be eligible to receive~~
2 ~~a Federal Pell Grant for the fiscal year for~~
3 ~~which the determination is made, except that~~
4 ~~the student fails to meet the requirements of—~~
5 ~~"(i) section 401(c)(1) because the stu-~~
6 ~~dent is enrolled in a graduate or first pro-~~
7 ~~fessional course of study; or~~
8 ~~"(ii) section 484(a)(5) because the~~
9 ~~student is in the United States for a tem-~~
10 ~~porary purpose.".~~
11 ~~(c) AUTHORIZATION OF APPROPRIATIONS.—Section~~
12 ~~419N(g) (20 U.S.C. 1070e(g)) is amended by striking~~
13 ~~"$45,000,000 for fiscal year 1999" and all that follows~~
14 ~~through the period and inserting "such sums as may be~~
15 ~~necessary for fiscal year 2006 and each of the 5 suc-~~
16 ~~ceeding fiscal years.".~~
17 **~~SEC. 410. LEARNING ANYTIME ANYWHERE PARTNERSHIPS.~~**
18 ~~Subpart 8 of part A of title IV (20 U.S.C. 1070f et~~
19 ~~seq.) is repealed.~~
20 **~~PART B—FEDERAL FAMILY EDUCATION LOAN~~**
21 **~~PROGRAM~~**
22 **~~SEC. 421. EXTENSION OF AUTHORITIES.~~**
23 ~~(a) FEDERAL INSURANCE LIMITATIONS.—Section~~
24 ~~424(a) (20 U.S.C. 1074(a)) is amended—~~

1 ~~(1) by striking "2004" and inserting "2012";~~
2 ~~and~~
3 ~~(2) by striking "2008" and inserting "2016".~~
4 ~~(b) GUARANTEED LOANS.—Section 428(a)(5) (20~~
5 ~~U.S.C. 1078(a)(5)) is amended—~~
6 ~~(1) by striking "2004" and inserting "2012";~~
7 ~~and~~
8 ~~(2) by striking "2008" and inserting "2016".~~
9 ~~(3) CONSOLIDATION LOANS.—Section 428C(e)~~
10 ~~(20 U.S.C. 1078–3(e)) is amended by striking~~
11 ~~"2004" and inserting "2012".~~
12 **~~SEC. 422. FEDERAL PAYMENTS TO REDUCE STUDENT IN-~~**
13 **~~TEREST COSTS.~~**
14 ~~Section 428 (20 U.S.C. 1078) is amended—~~
15 ~~(1) in subsection (b)(1)—~~
16 ~~(A) in subparagraph (N)—~~
17 ~~(i) in clause (i), by striking "or" after~~
18 ~~the semicolon; and~~
19 ~~(ii) by striking clause (ii) and insert-~~
20 ~~ing the following:~~
21 ~~"(ii) in the case of a student who is~~
22 ~~studying outside the United States in a~~
23 ~~program of study abroad that is approved~~
24 ~~for credit by the home institution at which~~
25 ~~such student is enrolled, are, at the re-~~

~~quest of the student, disbursed directly to the student by the means described in clause (i), unless such student requests that the check be endorsed, or the funds transfer be authorized, pursuant to an authorized power-of-attorney; or~~

~~"(iii) in the case of a student who is studying outside the United States in a program of study at an eligible foreign institution, are, at the request of the foreign institution, disbursed directly to the student by the means described in clause (i);"; and~~

~~(B) in subparagraph (Y)(i)(III), by inserting ", except that, if requested by an institution of higher education, the lender shall confirm such status through use of the National Student Loan Data System" before the semicolon; and~~

~~(2) in subsection (c)(2)(H)(i), by striking "preclaims" and inserting "default aversion".~~

~~SEC. 423. FEDERAL CONSOLIDATION LOANS.~~

~~Section 428C(b)(1) (20 U.S.C. 1078–3(b)(1)) is amended—~~

~~(1) in subparagraph (E), by striking "and" after the semicolon;~~

~~(2) by redesignating subparagraph (F) as subparagraph (G); and~~

~~(3) by inserting after subparagraph (E) the following:~~

~~"(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 forgiveness of Federal Perkins Loans under any provision of section 465; and~~

1 ~~"(iii) the occupations described in sec-~~
2 ~~tion 465(a)(2), individually and in detail,~~
3 ~~for which the borrower will lose eligibility~~
4 ~~for Federal Perkins Loan forgiveness;~~
5 ~~and".~~

6 **~~SEC. 424. DEFAULT REDUCTION PROGRAM.~~**

7 ~~Section 428F (20 U.S.C. 1078–6) is amended by~~
8 ~~adding at the end the following:~~

9 ~~"(e) FINANCIAL AND ECONOMIC LITERACY.—Where~~
10 ~~appropriate as determined by the institution of higher edu-~~
11 ~~cation in which a borrower is enrolled, each program de-~~
12 ~~scribed in subsection (b) shall include making available fi-~~
13 ~~nancial and economic education materials for the bor-~~
14 ~~rower, including making the materials available before,~~
15 ~~during, or after rehabilitation of a loan.".~~

16 **~~SEC. 425. REPORTS TO CREDIT BUREAUS AND INSTITU-~~**
17 **~~TIONS OF HIGHER EDUCATION.~~**

18 ~~Section 430A(a) (20 U.S.C. 1080a(a)) is amended—~~
19 ~~(1) in the first sentence, by striking "with cred-~~
20 ~~it bureau organizations" and inserting "with each~~
21 ~~consumer reporting agency that compiles and main-~~
22 ~~tains files on consumers on a nationwide basis (as~~
23 ~~defined in section 603(q) of the Fair Credit Report-~~
24 ~~ing Act (15 U.S.C. 1681a(q))";~~

~~(2) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (4), and (5), respectively;~~

~~(3) by inserting before paragraph (2) (as redesignated by paragraph (2)), the following:~~

~~"(1) the type of loan made, insured, or guaranteed under this title;";~~

~~(4) by inserting after paragraph (2) (as redesignated by paragraph (2)), the following:~~

~~"(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 paragraph shall be construed to affect any otherwise applicable provision of the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.)";~~

~~(5) in paragraph (4) (as redesignated by paragraph (2)), by striking "and" after the semicolon;~~

~~(6) in paragraph (5) (as redesignated by paragraph (2)), by striking the period and inserting "; and"; and~~

~~(7) by adding at the end the following:~~

~~"(6) any other information required to be reported by Federal law.".~~

~~SEC. 426. COMMON FORMS AND FORMATS.~~

~~Section 432(m)(1)(D)(i) (20 U.S.C. 1082(m)(1)(D)(i)) is amended by adding at the end the~~

following: "Unless otherwise notified by the Secretary, each institution of higher education that participates in the program under this part or part D may use a master promissory note for loans under this part and part D.".

SEC. 427. STUDENT LOAN INFORMATION BY ELIGIBLE BORROWERS.

Section 433 (20 U.S.C. 1083) is amended by adding at the end the following:

"(f) BORROWER INFORMATION AND PRIVACY.—Each eligible lender, guaranty agency, secondary market, consumer reporting agency, or student loan servicer participating in a program under this part shall not use, release, sell, transfer, or give any student information, including the name, address, social security number, or amount borrowed by a borrower or a borrower's parent, for any purpose that is not related to the processing of, the collecting of, the servicing of, or other activities associated with the prevention of default on, loans under this title.

"(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—

1 ~~"(A) by repaying the loan by automatic~~
2 ~~payroll or checking account deduction;~~
3 ~~"(B) by completing a program of on-time~~
4 ~~repayment; and~~
5 ~~"(C) under any other interest rate reduc-~~
6 ~~tion program.~~
7 ~~"(2) INFORMATION.—Such borrower informa-~~
8 ~~tion shall include—~~
9 ~~"(A) any limitations on such options;~~
10 ~~"(B) explicit information on the reasons a~~
11 ~~borrower may lose eligibility for such an option;~~
12 ~~"(C) examples of the impact the interest~~
13 ~~rate reductions will have on a borrower's time~~
14 ~~for repayment and amount of repayment;~~
15 ~~"(D) upon the request of the borrower, the~~
16 ~~effect the reductions in interest rates will have~~
17 ~~with respect to the borrower's payoff amount~~
18 ~~and time for repayment; and~~
19 ~~"(E) information on borrower recertifi-~~
20 ~~cation requirements.".~~
21 **~~SEC. 428. CONSUMER EDUCATION INFORMATION.~~**
22 ~~Part B (20 U.S.C. 1071 et seq.) is amended by in-~~
23 ~~serting after section 433 (20 U.S.C. 1083) the following:~~

~~"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 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. 429. DEFINITION OF ELIGIBLE LENDER.~~

~~Section 435(d)(2) (20 U.S.C. 1085(d)(2)) is amended by striking subparagraph (F) and inserting the following:~~

~~"(F) shall use the proceeds from special allowance payments, interest payments from borrowers, proceeds from the sale of a loan made,~~

~~insured, or guaranteed under this part, and all other proceeds related to such a loan that are furnished to the eligible institution or any entity affiliated (directly or indirectly) with the eligible institution, for need based grant programs, except that such payments and proceeds may be used for reasonable reimbursement for direct administrative expenses;''.~~

~~SEC. 430. 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.~~

~~Section 437 (20 U.S.C. 1087) is amended—~~

~~(1) in the section heading, by striking~~ **~~''CLOSED SCHOOLS OR FALSELY CERTIFIED AS ELIGIBLE TO BORROW''~~** ~~and inserting~~ **~~''SCHOOLS THAT FAIL TO PROVIDE A REFUND, ATTENDING CLOSED SCHOOLS, OR FALSELY CERTIFIED AS ELIGIBLE TO BORROW''~~**~~; and~~

~~(2) in the first sentence of subsection (c)(1), by inserting ''or was falsely certified as a result of a~~

crime of identity theft'' after ''falsely certified by the eligible institution''.

PART C—FEDERAL WORK-STUDY PROGRAMS

SEC. 441. AUTHORIZATION OF APPROPRIATIONS.

Section 441(b) (42 U.S.C. 2751(b)) is amended by striking ''$1,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.''.

SEC. 442. ALLOWANCE FOR BOOKS AND SUPPLIES.

Section 442(c)(4)(D) (42 U.S.C. 2752(c)(4)(D)) is amended by striking ''$450'' and inserting ''$600''.

SEC. 443. GRANTS FOR FEDERAL WORK-STUDY PROGRAMS.

Section 443(b)(2) (42 U.S.C. 2753(b)(2)) is amended—

(1) by striking subparagraph (A);

(2) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(3) in subparagraph (A) (as redesignated by paragraph (2)), by striking ''this subparagraph if'' and all that follows through ''institution;'' and inserting ''this subparagraph if—

''(i) the Secretary determines that enforcing this subparagraph would cause hardship for students at the institution; or

1 ~~"(ii) the institution certifies to the~~
2 ~~Secretary that 15 percent or more of its~~
3 ~~total full-time enrollment participates in~~
4 ~~community service activities described in~~
5 ~~section 441(c) or tutoring and literacy ac-~~
6 ~~tivities described in subsection (d) of this~~
7 ~~section;".~~

8 **~~SEC. 444. JOB LOCATION AND DEVELOPMENT PROGRAMS.~~**

9 ~~Section 446(a)(1) (42 U.S.C. 2756(a)(1)) is amended~~
10 ~~by striking "$50,000" and inserting "$75,000".~~

11 **~~SEC. 445. WORK COLLEGES.~~**

12 ~~Section 448(f) (42 U.S.C. 2756b(f)) is amended by~~
13 ~~striking "5,000,000 for fiscal year 1999" and all that fol-~~
14 ~~lows through the period and inserting "such sums as may~~
15 ~~be necessary for fiscal year 2006 and each of the 5 suc-~~
16 ~~ceeding fiscal years.".~~

17 **~~PART D—WILLIAM D. FORD FEDERAL DIRECT~~**
18 **~~LOAN PROGRAM~~**

19 **~~SEC. 451. FUNDS FOR ADMINISTRATIVE EXPENSES.~~**

20 ~~Section 458 (20 U.S.C. 1087h) is amended—~~
21 ~~(1) in subsection (a)(1), in the matter following~~
22 ~~subparagraph (B), by striking "$617,000,000" and~~
23 ~~all that follows through the period and inserting~~
24 ~~"$904,000,000 in fiscal year 2006, $943,000,000 in~~
25 ~~fiscal year 2007, $983,000,000 in fiscal year 2008,~~

~~$1,023,000,000 in fiscal year 2009, $1,064,000,000 in fiscal year 2010, and $1,106,000,000 in fiscal year 2011.''; and~~

~~(2) in subsection (c)(1), by striking subparagraphs (A) through (E) and inserting the following:~~

~~''(A) for fiscal year 2006, shall not exceed $271,000,000;~~

~~''(B) for fiscal year 2007, shall not exceed $293,000,000;~~

~~''(C) for fiscal year 2008, shall not exceed $315,000,000;~~

~~''(D) for fiscal year 2009, shall not exceed $336,000,000;~~

~~''(E) for fiscal year 2010, shall not exceed $356,000,000; and~~

~~''(F) for fiscal year 2011, shall not exceed $378,000,000.''.~~

~~PART E—FEDERAL PERKINS LOANS~~

~~SEC. 461. PROGRAM AUTHORITY.~~

~~Section 461(b) (20 U.S.C. 1087aa(b)) is amended—~~

~~(1) in paragraph (1), by striking ''$250,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.''; and~~

~~(2) in paragraph (2),—~~

~~(A) by striking "fiscal year 2003" and inserting "fiscal year 2009"; and~~

~~(B) by striking "October 1, 2003" and inserting "October 1, 2009".~~

~~SEC. 462. TERMS OF LOANS.~~

~~Section 464 (20 U.S.C. 1087dd) is amended—~~

~~(1) in subsection (b)(1), by striking "for an additional loan under this part" and inserting "for additional aid under this title"; and~~

~~(2) in subsection (c), by striking "written".~~

~~SEC. 463. CANCELLATION OF LOANS FOR CERTAIN PUBLIC SERVICE.~~

~~Section 465(a) (20 U.S.C. 1087ee(a)) is amended—~~

~~(1) in paragraph (2)—~~

~~(A) in subparagraph (B), by striking "Head Start Act which" and inserting "Head Start Act, or in a prekindergarten or child care program that is licensed or regulated by the State, that";~~

~~(B) in subparagraph (H), by striking "or" after the semicolon;~~

~~(C) in subparagraph (I), by striking the period and inserting a semicolon; and~~

~~(D) by inserting before the matter following subparagraph (I) (as amended by subparagraph (C)) the following:~~

~~"(J) as a full-time faculty member at a tribally controlled college or university, as that term is defined in section 2 of the Tribally Controlled College or University Assistance Act of 1978; or~~

~~"(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 library 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."; and~~

~~(2) in paragraph (3)(A)(i), by striking "or (I)" and inserting "(I), (J), or (K)".~~

~~PART F—NEED ANALYSIS~~

~~SEC. 471. COST OF ATTENDANCE.~~

~~Section 472 (20 U.S.C. 1087ll) is amended—~~

~~(1) by striking paragraph (4) and inserting the following:~~

~~"(4) for less than half-time students (as determined by the institution), tuition and fees and an allowance for only—~~

~~"(A) books, supplies, and transportation (as determined by the institution);~~

~~"(B) dependent care expenses (determined in accordance with paragraph (8)); and~~

~~"(C) room and board costs (determined in accordance with paragraph (3)), except that a student may receive an allowance for such costs under this subparagraph for not more than 3 semesters or the equivalent, of which not more than 2 semesters or the equivalent may be consecutive;";~~

~~(2) in paragraph (11), by striking "and" after the semicolon;~~

~~(3) in paragraph (12), by striking the period and inserting "; and"; and~~

~~(4) by adding at the end the following:~~

~~"(13) at the option of the institution, for a student in a program requiring professional licensure or certification, the one time cost of obtaining the first professional credentials (as determined by the institution).".~~

1 **~~SEC. 472. DEFINITIONS.~~**

2 ~~(a) DEFINITIONS.—Section 480 (20 U.S.C. 1087vv)~~
3 ~~is amended—~~

4 ~~(1) in subsection (f)—~~

5 ~~(A) in paragraph (1), by inserting "quali-~~
6 ~~fied education benefits (except as provided in~~
7 ~~paragraph (3)),'' after "tax shelters,"; and~~

8 ~~(B) by adding at the end the following:~~

9 ~~"(3) A qualified education benefit shall not be consid-~~
10 ~~ered an asset of a student for purposes of section 475.~~

11 ~~"(4) In determining the value of assets in a deter-~~
12 ~~mination of need under this title (other than for subpart~~
13 ~~4 of part A), the value of a qualified education benefit~~
14 ~~shall be—~~

15 ~~"(A) the refund value of any tuition credits or~~
16 ~~certificates purchased under a qualified education~~
17 ~~benefit; and~~

18 ~~"(B) in the case of a program in which con-~~
19 ~~tributions are made to an account that is established~~
20 ~~for the purpose of meeting the qualified higher edu-~~
21 ~~cation expenses of the designated beneficiary of the~~
22 ~~account, the current balance of such account.~~

23 ~~"(5) In this subsection:~~

24 ~~"(A) QUALIFIED EDUCATION BENEFIT.—The~~
25 ~~term 'qualified education benefit' means—~~

1 ~~"(i) a qualified tuition program (as defined~~
2 ~~in section 529(b)(1)(A) of the Internal Revenue~~
3 ~~Code of 1986) or other prepaid tuition plan of-~~
4 ~~fered by a State; and~~
5 ~~"(ii) a Coverdell education savings account~~
6 ~~(as defined in section 530(b)(1) of the Internal~~
7 ~~Revenue Code of 1986).~~
8 ~~"(B) QUALIFIED HIGHER EDUCATION EX-~~
9 ~~PENSES.—The term 'qualified higher education ex-~~
10 ~~penses' has the meaning given the term in section~~
11 ~~529(e) of the Internal Revenue Code of 1986."; and~~
12 ~~(2) in subsection (j)—~~
13 ~~(A) in the subsection heading, by striking~~
14 ~~"; TUITION PREPAYMENT PLANS";~~
15 ~~(B) by striking paragraph (2);~~
16 ~~(C) by redesignating paragraph (3) as~~
17 ~~paragraph (2); and~~
18 ~~(D) by inserting after paragraph (2) (as~~
19 ~~redesignated by subparagraph (C)) the fol-~~
20 ~~lowing paragraph:~~
21 ~~"(3) Notwithstanding paragraph (1) and section 472,~~
22 ~~assistance not received under this title may be excluded~~
23 ~~from both estimated financial assistance and cost of at-~~
24 ~~tendance, if that assistance is designated by the State pro-~~
25 ~~viding that assistance to offset a specific component of the~~

cost of attendance. If that assistance is excluded from estimated financial assistance or cost of attendance, that assistance shall be excluded from both calculations.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to determinations of need under part F of title IV for academic years beginning on or after July 1, 2006.

PART G—GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE

SEC. 481. DEFINITION OF ACADEMIC AND AWARD YEAR.

The second sentence of section 481(a)(2) (20 U.S.C. 1088(a)(2)) is amended by inserting ''and that measures program length in credit hours or clock hours'' after ''baccalaureate degree''.

SEC. 482. COMPLIANCE CALENDAR.

Section 482 (20 U.S.C. 1089) is amended by adding at the end the following:

''(a) 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;

1 ~~"(2) the required recipients of each report or~~
2 ~~disclosure;~~
3 ~~"(3) any required method for transmittal or~~
4 ~~dissemination of each report or disclosure;~~
5 ~~"(4) a description of the content of each report~~
6 ~~or disclosure sufficient to allow the institution to~~
7 ~~identify the appropriate individuals to be assigned~~
8 ~~the responsibility for such report or disclosure;~~
9 ~~"(5) references to the statutory authority, ap-~~
10 ~~plicable regulations, and current guidance issued by~~
11 ~~the Secretary regarding each report or disclosure;~~
12 ~~and~~
13 ~~"(6) any other information which is pertinent to~~
14 ~~the content or distribution of the report or disclo-~~
15 ~~sure.".~~
16 **~~SEC. 483. FORMS AND REGULATIONS.~~**
17 ~~Section 483 (20 U.S.C. 1090) is amended—~~
18 ~~(1) by striking subsections (a) and (b), and in-~~
19 ~~serting the following:~~
20 ~~"(a) COMMON FINANCIAL AID FORM DEVELOPMENT~~
21 ~~AND PROCESSING.—~~
22 ~~"(1) IN GENERAL.—The Secretary, in coopera-~~
23 ~~tion with representatives of agencies and organiza-~~
24 ~~tions involved in student financial assistance, shall~~
25 ~~produce, distribute, and process free of charge com-~~

~~mon 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 and shall be referred to (except as otherwise provided in this subsection) as the 'Free Application for Federal Student Aid', or 'FAFSA'.~~

~~"(2) PAPER FORMAT.—~~

~~"(A) IN GENERAL.—Subject to subparagraph (C), the Secretary shall produce, distribute, and process common forms in paper format to meet the requirements of paragraph (1). The Secretary shall develop a common paper form for applicants who do not meet the requirements of or do not wish to use the process described in subparagraph (B).~~

~~"(B) EZ FAFSA.—~~

~~"(i) IN GENERAL.—The Secretary shall develop and use a simplified paper application form, to be known as the 'EZ FAFSA', to be used for applicants meeting the requirements under section 479(c).~~

1 ~~"(ii) REDUCED DATA REQUIRE-~~
2 ~~MENTS.—The EZ FAFSA shall permit an~~
3 ~~applicant to submit for purposes of deter-~~
4 ~~mining financial need and eligibility, only~~
5 ~~the data elements required to make a de-~~
6 ~~termination of student eligibility and~~
7 ~~whether the applicant meets the require-~~
8 ~~ments of section 479(c).~~
9 ~~"(iii) STATE DATA.—The Secretary~~
10 ~~shall include on the EZ FAFSA such data~~
11 ~~items as may be necessary to award State~~
12 ~~financial assistance, as provided under~~
13 ~~paragraph (5), except the Secretary shall~~
14 ~~not include a State's data if that State~~
15 ~~does not permit its applicants for State as-~~
16 ~~sistance to use the EZ FAFSA.~~
17 ~~"(iv) FREE AVAILABILITY AND PROC-~~
18 ~~ESSING.—The provisions of paragraph (6)~~
19 ~~shall apply to the EZ FAFSA, and the~~
20 ~~data collected by means of the EZ FAFSA~~
21 ~~shall be available to institutions of higher~~
22 ~~education, guaranty agencies, and States~~
23 ~~in accordance with paragraph (9).~~

1 ~~"(v) TESTING.—The Secretary shall~~
2 ~~conduct appropriate field testing on the~~
3 ~~EZ FAFSA.~~
4 ~~"(C) PHASING OUT THE FULL PAPER~~
5 ~~FORM FOR STUDENTS WHO DO NOT MEET THE~~
6 ~~REQUIREMENTS OF THE EZ FAFSA.—~~
7 ~~"(i) IN GENERAL.—The Secretary~~
8 ~~shall make all efforts to encourage all ap-~~
9 ~~plicants to utilize the electronic forms de-~~
10 ~~scribed in paragraph (3).~~
11 ~~"(ii) PHASEOUT OF FULL PAPER~~
12 ~~FAFSA.—Not later than 5 years after the~~
13 ~~date of enactment of the Higher Education~~
14 ~~Amendments of 2005, to the extent prac-~~
15 ~~ticable, the Secretary shall phase out the~~
16 ~~printing of the long paper form created~~
17 ~~under subparagraph (A) and used by appli-~~
18 ~~cants who do not meet the requirements of~~
19 ~~the EZ FAFSA described in subparagraph~~
20 ~~(B).~~
21 ~~"(iii) AVAILABILITY OF FULL PAPER~~
22 ~~FAFSA.—~~
23 ~~"(I) IN GENERAL.—Both prior to~~
24 ~~and after the phaseout described in~~
25 ~~clause (ii), the Secretary shall main-~~

~~tain on the Internet printable versions of the paper forms described in subparagraphs (A) and (B).~~

~~"(II) ACCESSIBILITY.—The printable versions described in subclause (I) shall be made easily accessible and downloadable to students on the same Web site used to provide students with the common electronic forms described in paragraph (3).~~

~~"(III) SUBMISSION OF FORMS.—The Secretary shall conduct a study to determine the feasibility of using downloaded forms to ensure sufficient quality to meet the processing requirements of this section. Following the completion of the study, the Secretary shall enable, to the extent practicable, students to submit a form described in this clause that is downloaded from the Internet and printed, in order to meet the filing requirements of this section and to receive financial assistance under this title.~~

~~"(iv) USE OF SAVINGS.—~~

~~"(I) IN GENERAL.—The Secretary shall utilize any realized savings accrued by phasing out the full paper FAFSA and moving more applicants to the common electronic forms, to improve access to the electronic forms for applicants meeting the requirements of section 479(c).~~

~~"(II) REPORT.—The Secretary shall report annually to the authorizing committees on—~~

~~"(aa) the steps taken to improve access to the common electronic forms for applicants meeting the requirements of section 479(c); and~~

~~"(bb) the phaseout of the long common paper form described in subparagraph (A).~~

~~"(3) ELECTRONIC FORMAT.—~~

~~"(A) IN GENERAL.—The Secretary shall produce, distribute, and process common forms in electronic format and make such forms available through a broadly accessible website to meet the requirements of paragraph (1). The~~

~~Secretary shall develop common electronic forms for applicants who do not meet the requirements of subparagraph (B). The Secretary shall include on the common electronic forms space for information that needs to be submitted from the applicant to be eligible for State financial assistance, as provided under paragraph (5), except the Secretary shall not require applicants to complete data required by any State other than the applicant's State of residence. The Secretary shall use all available technology to ensure that a student using a common electronic form answers only the minimum number of questions necessary.~~

~~"(B) SIMPLIFIED ELECTRONIC APPLICATIONS.—~~

~~"(i) IN GENERAL.—The Secretary shall develop and use a simplified electronic application form to be used by applicants meeting the requirements of section 479(c) and an additional, separate simplified electronic application form to be used by applicants meeting the requirements under section 479(b).~~

~~"(ii) REDUCED DATA REQUIREMENTS.—The simplified electronic application forms shall permit an applicant to submit for purposes of determining financial need and eligibility, only the data elements required to make a determination of student eligibility and whether the applicant meets the requirements under subsection (b) or (c) of section 479.~~

~~"(iii) STATE DATA.—The Secretary shall include on the simplified electronic application forms such data items as may be necessary to award State financial assistance, as provided under paragraph (5), except the Secretary shall not require applicants to complete data required by any State other than the applicant's State of residence and shall not include a State's data if such State does not permit its applicants for State assistance to use the simplified electronic application form described in this subparagraph.~~

~~"(iv) FREE AVAILABILITY AND PROCESSING.—The provisions of paragraph (6) shall apply to the simplified electronic ap-~~

~~plication forms, and the data collected by means of the simplified electronic application forms shall be available to institutions of higher education, guaranty agencies, and States in accordance with paragraph (9).~~

~~"(v) TESTING.—The Secretary shall conduct appropriate field testing on the forms developed under this subparagraph.~~

~~"(C) USE OF FORMS.—Nothing in this subsection shall be construed to prohibit the use of the forms developed by the Secretary pursuant to this paragraph by an eligible institution, eligible lender, a guaranty agency, a State grant agency, a private computer software provider, a consortium of such entities, or such other entity as the Secretary may designate. Data collected by the 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 version of the forms shall be used for making final aid awards under this title until such data have been processed by~~

~~the Secretary or a contractor or designee of the Secretary, except as may be permitted under this title.~~

~~"(D) PRIVACY.—The Secretary shall ensure that data collection under this paragraph complies with section 552a of title 5, United States Code, and that any entity using the electronic version of the forms developed by the Secretary pursuant to this paragraph shall maintain reasonable and appropriate administrative, technical, and physical safeguards to ensure the integrity and confidentiality of the information, and to protect against security threats, or unauthorized uses or disclosures of the information provided on the electronic version of the forms.~~

~~"(E) SIGNATURE.—Notwithstanding any other provision of this Act, the Secretary may permit an electronic form under this paragraph to be submitted without a signature, if a signature is subsequently submitted by the applicant or if the applicant uses a personal identification number provided by the Secretary under subparagraph (F).~~

~~"(F) PERSONAL IDENTIFICATION NUMBERS AUTHORIZED.—The Secretary is authorized to assign to applicants personal identification numbers—~~

~~"(i) to enable the applicants to use such numbers as a signature for purposes of completing a form under this paragraph; and~~

~~"(ii) for any purpose determined by the Secretary to enable the Secretary to carry out this title.~~

~~"(4) STREAMLINED REAPPLICATION PROCESS.—~~

~~"(A) IN GENERAL.—The Secretary shall develop streamlined reapplication forms and processes, including both paper and electronic reapplication processes, consistent with the requirements of this subsection, for an applicant who applies for financial assistance under this title in the next succeeding academic year subsequent to an academic year in which such applicant applied for financial assistance under this title.~~

1 ~~"(B) MECHANISMS FOR REAPPLICATION.—~~
2 ~~The Secretary shall develop appropriate mecha-~~
3 ~~nisms to support reapplication.~~
4 ~~"(C) IDENTIFICATION OF UPDATED~~
5 ~~DATA.—The Secretary shall determine, in co-~~
6 ~~operation with States, institutions of higher~~
7 ~~education, and agencies and organizations in-~~
8 ~~volved in student financial assistance, the data~~
9 ~~elements that can be updated from the previous~~
10 ~~academic year's application.~~
11 ~~"(D) REDUCED DATA AUTHORIZED.—~~
12 ~~Nothing in this title shall be construed as lim-~~
13 ~~iting the authority of the Secretary to reduce~~
14 ~~the number of data elements required of re-~~
15 ~~applicants.~~
16 ~~"(E) ZERO FAMILY CONTRIBUTION.—Ap-~~
17 ~~plicants determined to have a zero family con-~~
18 ~~tribution pursuant to section 479(c) shall not~~
19 ~~be required to provide any financial data in a~~
20 ~~reapplication form, except that which is nec-~~
21 ~~essary to determine eligibility under such sec-~~
22 ~~tion.~~
23 ~~"(5) STATE REQUIREMENTS.—~~
24 ~~"(A) IN GENERAL.—Except as provided in~~
25 ~~paragraphs (2)(B)(iii), (3)(A), and (3)(B)(iii),~~

~~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, except as provided in paragraphs (2)(B)(iii), (3)(A), and (3)(B)(iii). The number of such data items shall not be less than the number included on the 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 process to determine which data items the States require to award need-based State aid.~~

~~"(C) ENCOURAGE USE OF FORMS.—The Secretary shall encourage States to take such steps as are necessary to encourage the use of simplified application forms, including those described in paragraphs (2)(B) and (3)(B), for~~

~~applicants who meet the requirements of subsection (b) or (c) of section 479.~~

~~"(D) FEDERAL REGISTER NOTICE.—The Secretary shall publish, on an annual basis, a notice in the Federal Register requiring States to inform the Secretary—~~

~~"(i) if the State plans to use the FAFSA to collect data to determine eligibility for State need-based financial aid;~~

~~"(ii) of the State-specific data that the State requires for delivery of State need-based financial aid; and~~

~~"(iii) if the State agency is unable to permit applicants to utilize the simplified application forms described in paragraph (2)(B) or (3)(B).~~

~~"(E) STATE NOTIFICATION TO THE SECRETARY.—~~

~~"(i) IN GENERAL.—Each State agency shall notify the Secretary—~~

~~"(I) whether the State permits an applicant to file a form described in paragraph (2)(B) or (3)(B) for purposes of determining eligibility for State need-based financial aid; and~~

1 ~~"(II) of the State-specific data~~
2 ~~that the State requires for delivery of~~
3 ~~State need-based financial aid.~~
4 ~~"(ii) ACCEPTANCE OF FORMS.—If a~~
5 ~~State does not permit an applicant to file~~
6 ~~a form described in paragraph (2)(B) or~~
7 ~~(3)(B) for purposes of determining eligi-~~
8 ~~bility for State need-based financial aid,~~
9 ~~then the State shall notify the Secretary if~~
10 ~~it is not permitted to do so because of~~
11 ~~State law or agency policy. The notification~~
12 ~~shall include an acknowledgment that~~
13 ~~State-specific questions will not be included~~
14 ~~on a form described in paragraph (2)(B)~~
15 ~~or (3)(B).~~
16 ~~"(iii) LACK OF NOTIFICATION BY THE~~
17 ~~STATE.—If a State does not notify the~~
18 ~~Secretary pursuant to clause (i), the Sec-~~
19 ~~retary shall—~~
20 ~~"(I) permit residents of that~~
21 ~~State to complete simplified applica-~~
22 ~~tion forms under paragraphs (2)(B)~~
23 ~~and (3)(B); and~~
24 ~~"(II) not require any resident of~~
25 ~~such State to complete any data pre-~~

~~viously required by that State under this section.~~

~~"(F) RESTRICTION.—The Secretary shall not require applicants to complete any financial or non-financial data that are not required by the applicant's State, except as may be required for applicants who use the paper forms described in subparagraphs (A) and (B) of paragraph (2).~~

~~"(6) CHARGES TO STUDENTS AND PARENTS FOR USE OF FORMS PROHIBITED.—The common financial reporting forms prescribed by the Secretary under this subsection 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. 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 pursuant to this subsection. No student may receive financial assistance under parts A through E (other than under subpart 4 of~~

~~part A), except by use of a form developed by the Secretary pursuant to this subsection. No data collected on a paper or electronic form, worksheet, or other document for which a fee is charged shall be used to complete the form prescribed under this subsection. No person, commercial entity, or other entity shall request, obtain, or utilize an applicant's personal identification number assigned under paragraph (3)(F) for purposes of submitting an application on an applicant's behalf.~~

~~"(7) APPLICATION PROCESSING CYCLE.—The Secretary shall—~~

~~"(A) enable students to submit forms created under this subsection in order to meet the filing requirements of this section and in order to receive financial assistance from programs under this title; and~~

~~"(B) enable students to submit forms created 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.~~

~~"(8) EARLY ESTIMATES.—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, as defined in section 473. Such applicant shall be permitted to update information submitted on a form described in this subsection using the process required under paragraph (4).~~

~~"(9) DISTRIBUTION OF DATA.—Institutions of higher education, guaranty agencies, and States shall receive, without charge, the data collected by the Secretary using the form developed pursuant to this 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.~~

~~"(10) 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 organiza-~~

~~tions 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.~~

~~"(11) 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.";~~

~~(2) by redesignating subsections (c) through (e) as subsections (b) through (d), respectively; and~~

~~(3) in subsection (c) (as redesignated by paragraph (2)), by striking "that is authorized" and all that follows through the period at the end and in-~~

~~serting "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 2005, 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.".~~

~~SEC. 484. STUDENT ELIGIBILITY.~~

~~Section 484 (20 U.S.C. 1091) is amended—~~

~~(1) in subsection (d), by adding at the end the following:~~

~~"(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.";~~

~~(2) by striking subsection (*l*) and inserting the following:~~

1 ~~"(l) COURSES OFFERED THROUGH DISTANCE EDU-~~
2 ~~CATION.—~~
3 ~~"(1) RELATION TO CORRESPONDENCE~~
4 ~~COURSES.—~~
5 ~~"(A) IN GENERAL.—A student enrolled in~~
6 ~~a course of instruction at an institution of high-~~
7 ~~er education that is offered predominately~~
8 ~~through distance education and leads to a rec-~~
9 ~~ognized certificate, or associate, baccalaureate,~~
10 ~~or graduate degree, conferred by such institu-~~
11 ~~tion, shall not be considered to be enrolled in~~
12 ~~correspondence courses.~~
13 ~~"(B) EXCEPTION.—An institution of high-~~
14 ~~er education referred to in subparagraph (A)~~
15 ~~shall not include an institution or school de-~~
16 ~~scribed in section 3(3)(C) of the Carl D. Per-~~
17 ~~kins Vocational and Technical Education Act of~~
18 ~~1998.~~
19 ~~"(2) RESTRICTION OR REDUCTIONS OF FINAN-~~
20 ~~CIAL AID.—A student's eligibility to receive grants,~~
21 ~~loans, or work assistance under this title shall be re-~~
22 ~~duced if a financial aid officer determines under the~~
23 ~~discretionary authority provided in section 479A~~
24 ~~that telecommunications instruction results in a sub-~~

~~stantially 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.—In this subsection, the term 'distance education' has the meaning given the term in section 102.";~~ ~~and~~

~~(3) in subsection (r)—~~

~~(A) in the matter preceding the table, by inserting "of a controlled substance, while such student is enrolled in an institution of higher education and receiving financial assistance under this title," after "the possession";~~

~~(B) in the column heading of the first table, by inserting~~ ~~"**WHILE THE STUDENT IS ENROLLED IN AN INSTITUTION OF HIGHER EDUCATION AND RECEIVING FINANCIAL**~~

1 ~~ASSISTANCE UNDER THIS TITLE'' after~~
2 ~~''POSSESSION OF A CONTROLLED SUB-~~
3 ~~STANCE''; and~~
4 ~~(C) by redesignating paragraph (3) as~~
5 ~~paragraph (4); and~~
6 ~~(D) by inserting after paragraph (2) the~~
7 ~~following:~~
8 ~~''(2) INTERACTION WITH FAFSA.—The Sec-~~
9 ~~retary shall not require a student to provide infor-~~
10 ~~mation regarding the student's possession of a con-~~
11 ~~trolled substance on the Free Application for Fed-~~
12 ~~eral Student Aid described in section 483(a).''.~~
13 ~~SEC. 485. STATUTE OF LIMITATIONS AND STATE COURT~~
14 ~~JUDGMENTS.~~
15 ~~Section 484A (20 U.S.C. 1091a) is amended—~~
16 ~~(1) in subsection (b)—~~
17 ~~(A) in paragraph (1), by striking ''and''~~
18 ~~after the semicolon;~~
19 ~~(B) in paragraph (2), by striking the pe-~~
20 ~~riod and inserting ''; and''; and~~
21 ~~(C) by adding at the end the following:~~
22 ~~''(3) in collecting any obligation arising from a~~
23 ~~loan made under part E of this title, an institution~~
24 ~~of higher education that has an agreement with the~~
25 ~~Secretary pursuant to section 463(a) shall not be~~

subject to a defense raised by any borrower based on a claim of infancy.''; and

(2) by adding at the end the following:

''(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. 486. INSTITUTIONAL REFUNDS.

Section 484B (20 U.S.C. 1091B) is amended—

(1) in subsection (a)—

(A) in the matter preceding clause (i) of paragraph (2)(A), by striking ''a leave of'' and inserting ''1 or more leaves of''; and

(B) in paragraph (3)(C)(i), by striking ''grant or loan assistance under this title'' and inserting ''grant assistance under subparts 1 and 3 of part A, or loan assistance under parts B, D, and E,'';

(2) in subsection (b), by adding at the end the following:

1 ~~"(4) TIME FRAME.—Not later than 45 days~~
2 ~~after the date of an institution's determination that~~
3 ~~a student withdrew from the institution, the institu-~~
4 ~~tion shall—~~
5 ~~"(A) return the amount required under~~
6 ~~paragraph (1);~~
7 ~~"(B) notify the student of the applicable~~
8 ~~requirements regarding the overpayment of~~
9 ~~grant and loan assistance and~~
10 ~~"(C) notify the student of the student's eli-~~
11 ~~gibility for post-withdrawal disbursements.";~~
12 ~~(3) in subsection (c)(2)—~~
13 ~~(A) by striking the period at the end and~~
14 ~~inserting "; or";~~
15 ~~(B) by striking "may determine the appro-~~
16 ~~priate" and inserting "may determine—~~
17 ~~"(A) the appropriate"; and~~
18 ~~(C) by adding at the end the following:~~
19 ~~"(B) that the requirements of this section~~
20 ~~do not apply to the student."; and~~
21 ~~(4) in subsection (d)(2), by striking "clock~~
22 ~~hours—" and all that follows through the period and~~
23 ~~inserting "clock hours scheduled to be completed by~~
24 ~~the student in that period as of the day the student~~
25 ~~withdrew.".~~

~~SEC. 487. INSTITUTIONAL AND FINANCIAL ASSISTANCE FOR STUDENTS.~~

~~Section 485 (20 U.S.C. 1092) is amended—~~

~~(1) in subsection (a)—~~

~~(A) in paragraph (1)—~~

~~(i) in subparagraph (N), by striking "and" after the semicolon;~~

~~(ii) in subparagraph (O), by striking the period and inserting "; and"; and~~

~~(iii) by adding at the end the following:~~

~~"(P) 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.";~~

~~(B) by striking paragraph (4) and inserting the following:~~

~~"(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 20 percent or more of the students described in subparagraph (A) are excluded in a reporting year, include in such information on the completion or graduation rates of students described in subparagraph (A) 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."; and~~

~~(C) by adding at the end the following:~~

~~"(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, and by low-income background status as measured by Federal Pell Grant eligibility, 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.'';~~

~~(2) in subsection (b), by adding at the end the following:~~

~~''(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) the tax benefits for which the borrower may be eligible; and~~

1 ~~"(E) the consequences of default.";~~

2 ~~(3) in subsection (d)(2)—~~

3 ~~(A) by inserting "grant assistance, as well~~

4 ~~as State" after "describing State"; and~~

5 ~~(B) by inserting "and other means, includ-~~

6 ~~ing through the Internet" before the period at~~

7 ~~the end;~~

8 ~~(4) in subsection (e), by striking paragraph (3)~~

9 ~~and inserting the following:~~

10 ~~"(3) For purposes of this subsection, institu-~~

11 ~~tions may—~~

12 ~~"(A) exclude from the reporting require-~~

13 ~~ments under paragraphs (1) and (2) the com-~~

14 ~~pletion or graduation rates of students and stu-~~

15 ~~dent athletes who leave school to serve in the~~

16 ~~Armed Forces, on official church missions, or~~

17 ~~with a recognized foreign aid service of the Fed-~~

18 ~~eral Government; or~~

19 ~~"(B) in cases where 20 percent or more of~~

20 ~~the students described in subparagraph (A) are~~

21 ~~excluded in a reporting year, include in such in-~~

22 ~~formation on the completion or graduation rates~~

23 ~~of students described in subparagraph (A) by~~

24 ~~excluding from the calculation described in sub-~~

25 ~~section (a)(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.'';

(5) in the matter preceding subparagraph (A) of subsection (f)(1), by inserting '', other than a foreign institution of higher education,'' after ''under this title''; and

(6) by adding at the end the following:

''(h) TRANSFER OF CREDIT POLICIES.—

''(1) DISCLOSURE.—Each institution of higher education participating in any program under this title shall publicly disclose in a readable and comprehensible manner the 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 that transfer of credit shall not be denied solely on the basis of the agency or association that accredited such other institution of higher education, if that agency or association is recognized by the Secretary pursuant to section 496 to be a reliable authority as to the quality of the education or training offered; and

1 ~~"(B) a list of institutions of higher edu-~~
2 ~~cation with which the institution has established~~
3 ~~an articulation agreement.~~
4 ~~"(2) RULE OF CONSTRUCTION.—Nothing in~~
5 ~~this subsection shall be construed to—~~
6 ~~"(A) authorize an officer or employee of~~
7 ~~the Department to exercise any direction, su-~~
8 ~~pervision, or control over the curriculum, pro-~~
9 ~~gram of instruction, administration, or per-~~
10 ~~sonnel of any institution of higher education, or~~
11 ~~over any accrediting agency or association;~~
12 ~~"(B) limit the application of the General~~
13 ~~Education Provisions Act; or~~
14 ~~"(C) create any legally enforceable right on~~
15 ~~the part of a student to require an institution~~
16 ~~of higher education to accept a transfer of cred-~~
17 ~~it from another institution.".~~
18 **~~SEC. 488. NATIONAL STUDENT LOAN DATA SYSTEM.~~**
19 ~~Section 485B(a) (20 U.S.C. 1092b(a)) is amended—~~
20 ~~(1) by redesignating paragraphs (6) through~~
21 ~~(10) as paragraphs (7) through (11), respectively;~~
22 ~~(2) in paragraph (5) (as added by Public Law~~
23 ~~101–610), by striking "effectiveness." and inserting~~
24 ~~"effectiveness;"; and~~

~~(3) by redesignating paragraph (5) (as added by Public Law 101–234) as paragraph (6).~~

~~SEC. 489. EARLY AWARENESS OF FINANCIAL AID ELIGIBILITY AND DEMONSTRATION PROGRAM TO PROVIDE EARLY ESTIMATES AND EARLY AWARDS OF FINANCIAL AID.~~

~~Part G of title IV (20 U.S.C. 1088 et seq.) is amended by inserting after section 485C (20 U.S.C. 1092c) the following:~~

~~"SEC. 485D. EARLY AWARENESS OF FINANCIAL AID ELIGIBILITY AND DEMONSTRATION PROGRAM TO PROVIDE EARLY ESTIMATES AND EARLY AWARDS OF FINANCIAL AID.~~

~~"(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).~~

1 ~~"(b) COMMUNICATION OF AVAILABILITY OF AID AND~~
2 ~~AID ELIGIBILITY.—~~
3 ~~"(1) STUDENTS WHO RECEIVE BENEFITS.—The~~
4 ~~Secretary shall—~~
5 ~~"(A) make special efforts to notify stu-~~
6 ~~dents who receive or are eligible to receive bene-~~
7 ~~fits under Federal means-tested benefit pro-~~
8 ~~grams (including the school lunch program es-~~
9 ~~tablished under the Richard B. Russell National~~
10 ~~School Lunch Act (42 U.S.C. 1751 et seq.), the~~
11 ~~food stamp program under the Food Stamp Act~~
12 ~~of 1977 (7 U.S.C. 2011 et seq.), and other such~~
13 ~~programs as determined by the Secretary) of~~
14 ~~such students' potential eligibility for a max-~~
15 ~~imum Federal Pell Grant under subpart 1 of~~
16 ~~part A, and~~
17 ~~"(B) disseminate such informational mate-~~
18 ~~rials as the Secretary determines necessary.~~
19 ~~"(2) MIDDLE SCHOOL STUDENTS.—The Sec-~~
20 ~~retary, in cooperation with States, institutions of~~
21 ~~higher education, other organizations involved in col-~~
22 ~~lege access and student financial aid, middle schools,~~
23 ~~and programs under this title that serve middle~~
24 ~~school students, shall make special efforts to notify~~
25 ~~students and their parents of the availability of fi-~~

~~nancial aid under this title and, in accordance with subsection (c), shall provide nonbinding estimates of grant, work-study, 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 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, work-study, 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, work-study, 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~~

1 ~~"(C) uses dissemination mechanisms suit-~~
2 ~~able for adult learners.~~
3 ~~"(5) PUBLIC AWARENESS CAMPAIGN.—Not~~
4 ~~later than 2 years after the date of enactment of the~~
5 ~~Higher Education Amendments of 2005, the Sec-~~
6 ~~retary, in coordination with States, institutions of~~
7 ~~higher education, early intervention and outreach~~
8 ~~programs under this title, other agencies and organi-~~
9 ~~zations involved in student financial aid, local edu-~~
10 ~~cational agencies, public libraries, community cen-~~
11 ~~ters, businesses, employers, employment services,~~
12 ~~workforce investment boards, and movie theaters,~~
13 ~~shall implement a public awareness campaign in~~
14 ~~order to increase national awareness regarding the~~
15 ~~availability of financial aid under this title. The pub-~~
16 ~~lic awareness campaign shall disseminate accurate~~
17 ~~information regarding the availability of financial~~
18 ~~aid under this title and shall be implemented, to the~~
19 ~~extent practicable, using a variety of media, includ-~~
20 ~~ing print, television, radio and the Internet. The~~
21 ~~Secretary shall design and implement the public~~
22 ~~awareness campaign based upon relevant inde-~~
23 ~~pendent research and the information and dissemi-~~
24 ~~nation strategies found most effective in imple-~~
25 ~~menting paragraphs (1) through (4).~~

1 ~~"(c) AVAILABILITY OF NONBINDING ESTIMATES OF~~
2 ~~FEDERAL FINANCIAL AID ELIGIBILITY.—~~
3 ~~"(1) IN GENERAL.—The Secretary, in coopera-~~
4 ~~tion with States, institutions of higher education,~~
5 ~~and other agencies and organizations involved in stu-~~
6 ~~dent financial aid, shall provide, via a printed form~~
7 ~~and the Internet or other electronic means, the capa-~~
8 ~~bility for individuals to determine easily, by entering~~
9 ~~relevant data, nonbinding estimates of amounts of~~
10 ~~grant and loan aid an individual may be eligible for~~
11 ~~under this title upon completion and processing of~~
12 ~~an application and enrollment in an institution of~~
13 ~~higher education.~~
14 ~~"(2) DATA ELEMENTS.—The Secretary, in co-~~
15 ~~operation with States, institutions of higher edu-~~
16 ~~cation, and other agencies and organizations in-~~
17 ~~volved in student financial aid, shall determine the~~
18 ~~data elements that are necessary to create a sim-~~
19 ~~plified form that individuals can use to obtain easily~~
20 ~~nonbinding estimates of the amounts of grant and~~
21 ~~loan aid an individual may be eligible for under this~~
22 ~~title.~~
23 ~~"(3) QUALIFICATION TO USE SIMPLIFIED AP-~~
24 ~~PLICATION.—The capability provided under this~~
25 ~~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. 490. COLLEGE ACCESS INITIATIVE.

Part G of title IV (20 U.S.C. 1088 et seq.) is further amended by inserting after section 485D (as added by section 489) the following:

''SEC. 485E. COLLEGE ACCESS INITIATIVE.

''(a) STATE-BY-STATE INFORMATION.—The Secretary shall direct each guaranty agency with which the Secretary has an agreement under section 428(c) 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 428(c) 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 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 that is limited or related to subsection (a). The guaranty agency shall publicize such information and coordinate such activities with other entities that 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 422B and to the extent funds remain, from earnings on the restricted account established pursuant to section 422(h)(4).~~

~~"(4) RULE OF CONSTRUCTION.—Nothing in this subsection shall require a guaranty agency to duplicate any efforts currently underway that meet the requirements of this subsection.~~

~~"(c) ACCESS TO INFORMATION.—~~

1 ~~"(1) SECRETARY'S RESPONSIBILITY.—The Sec-~~
2 ~~retary shall ensure the availability of the information~~
3 ~~provided, by the guaranty agencies in accordance~~
4 ~~with this section, to students, parents, and other in-~~
5 ~~terested individuals, through Web links or other~~
6 ~~methods prescribed by the Secretary.~~
7 ~~"(2) GUARANTY AGENCY RESPONSIBILITY.—~~
8 ~~The guaranty agencies shall ensure that the infor-~~
9 ~~mation required by this section is available without~~
10 ~~charge in printed format for students and parents~~
11 ~~requesting such information.~~
12 ~~"(3) PUBLICITY.—Not later than 270 days~~
13 ~~after the date of enactment of the Higher Education~~
14 ~~Amendments Act of 2005, the Secretary and guar-~~
15 ~~anty agencies shall publicize the availability of the~~
16 ~~information required by this section, with special~~
17 ~~emphasis on ensuring that populations that are tra-~~
18 ~~ditionally underrepresented in postsecondary edu-~~
19 ~~cation are made aware of the availability of such in-~~
20 ~~formation.".~~
21 **~~SEC. 491. PROGRAM PARTICIPATION AGREEMENTS.~~**
22 ~~Section 487 (20 U.S.C. 1094) is amended—~~
23 ~~(1) in subsection (a)—~~
24 ~~(A) in paragraph (23), by adding at the~~
25 ~~end the following:~~

1 ~~"(D) An institution shall be considered in~~
2 ~~compliance with the requirements of subpara-~~
3 ~~graph (A) for any student to whom the institu-~~
4 ~~tion electronically transmits a message con-~~
5 ~~taining a voter registration form acceptable for~~
6 ~~use in the State in which the institution is lo-~~
7 ~~cated, or an Internet address where such a~~
8 ~~form can be downloaded, if such information is~~
9 ~~in an electronic message devoted solely to voter~~
10 ~~registration."; and~~
11 ~~(B) by adding at the end the following:~~
12 ~~"(24) The institution will, as calculated in ac-~~
13 ~~cordance with subsection (f)(1), have not less than~~
14 ~~10 percent of its revenues from sources other than~~
15 ~~funds provided under this title, or will be subject to~~
16 ~~the sanctions described in subsection (f)(2).";~~
17 ~~(2) by redesignating subsections (d) and (e) as~~
18 ~~subsection (e) and (f), respectively;~~
19 ~~(3) by inserting after subsection (e) the fol-~~
20 ~~lowing:~~
21 ~~"(d) INSTITUTIONAL REQUIREMENTS FOR TEACH-~~
22 ~~OUTS.—~~
23 ~~"(1) IN GENERAL.—In the event the Secretary~~
24 ~~initiates the limitation, suspension, or termination of~~
25 ~~the participation of an institution of higher edu-~~

~~cation in any program under this title under the authority of subsection (c)(1)(F) or initiates an emergency action for termination 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 enrollment at the institution, and may include, if required by the institution's accrediting agency or association, an agreement between institutions for such a teach-out plan.";~~ ~~and~~

~~(4) by adding at the end the following:~~

~~"(g) IMPLEMENTATION OF NONTITLE IV REVENUE REQUIREMENT.—~~

~~"(1) CALCULATION.—In carrying out subsection (a)(24), an institution 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.~~

1 ~~"(E) Funds generated by the institution~~
2 ~~from institutional activities that are necessary~~
3 ~~for the education and training of the institu-~~
4 ~~tion's students, if such activities are—~~
5 ~~"(i) conducted on campus or at a fa-~~
6 ~~cility under the control of the institution;~~
7 ~~"(ii) performed under the supervision~~
8 ~~of a member of the institution's faculty;~~
9 ~~and~~
10 ~~"(iii) required to be performed by all~~
11 ~~students in a specific educational program~~
12 ~~at the institution.~~
13 ~~"(F) Institutional aid, as follows:~~
14 ~~"(i) In the case of loans made by the~~
15 ~~institution, only the amount of loan repay-~~
16 ~~ments received by the institution during~~
17 ~~the fiscal year for which the determination~~
18 ~~is made.~~
19 ~~"(ii) In the case of scholarships pro-~~
20 ~~vided by the institution, only those scholar-~~
21 ~~ship funds provided by the institution that~~
22 ~~are—~~
23 ~~"(I) in the form of monetary aid~~
24 ~~or tuition discounts 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)(24) 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 sec-~~

~~tion 498(h) until the institution demonstrates, to the satisfaction of the Secretary, that it is in compliance with subsection (a)(24).~~

~~"(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)(24).~~

~~"(B) FAILURE TO MEET REQUIREMENT FOR 3 YEARS.—An institution that fails to meet the requirements of subsection (a)(24) for 2 consecutive years shall be ineligible to participate in the programs authorized under this title.~~

~~"(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)(24) in any year as an institution that is failing to meet the minimum non-Federal source of revenue requirements of such subsection (a)(24).".~~

~~SEC. 492. REGULATORY RELIEF AND IMPROVEMENT.~~

~~Section 487A(b) (20 U.S.C. 1094a(b)) is amended—~~

~~(1) in paragraph (1)~~

~~(A) by striking "1998" and inserting "2005" ; and~~

~~(B) by striking "1999" and inserting "2006"; and~~

~~(2) by striking the matter preceding paragraph (2)(A) and inserting the following:~~

~~"(2) REPORT.—The Secretary shall review and evaluate the experience of institutions participating as experimental sites and shall, on a biennial basis, submit a report based on the review and evaluation to the authorizing committees. Such report shall include—"; and~~

~~(3) in paragraph (3)—~~

~~(A) in subparagraph (A)—~~

~~(i) by striking "Upon the submission of the report required by paragraph (2), the" and inserting "The"; and~~

~~(ii) by inserting "periodically" after "authorized to";~~

~~(B) by striking subparagraph (B);~~

~~(C) by redesignating subparagraph (C) as subparagraph (B); and~~

~~(D) in subparagraph (B) (as redesignated by subparagraph (C))—~~

~~(i) by inserting ", including requirements related to the award process and disbursement of student financial aid (such as innovative delivery systems for modular or compressed courses, or other innovative systems), verification of student financial aid application data, entrance and exit interviews, or other management procedures or processes as determined in the negotiated rulemaking process under section 492," after "requirements in this title"; and~~

~~(ii) by inserting "(other than an award rule related to an experiment in modular or compressed schedules)" after "award rules"; and~~

~~(iii) by inserting "unless the waiver of such provisions is authorized by another provision under this title" before the period at the end.~~

~~SEC. 493. TRANSFER OF ALLOTMENTS.~~

~~Section 488 (20 U.S.C. 1095) is amended in the first sentence—~~

~~(1) in paragraph (1), by striking "and" after the semicolon;~~

~~(2) in paragraph (2), by striking "413D." and inserting "413D; and"; and~~

~~(3) by adding at the end "(3) transfer 25 percent of the institution's allotment under section 413D to the institution's allotment under section 442.".~~

~~SEC. 494. WAGE GARNISHMENT REQUIREMENT.~~

~~Section 488A(a)(1) (20 U.S.C. 1095a(a)(1)) is amended by striking "10 percent" and inserting "15 percent".~~

~~SEC. 495. PURPOSE OF ADMINISTRATIVE PAYMENTS.~~

~~Section 489(b) (20 U.S.C. 1096(b)) is amended by striking "offsetting the administrative costs of" and inserting "administering".~~

~~SEC. 496. ADVISORY COMMITTEE ON STUDENT FINANCIAL ASSISTANCE.~~

~~Section 491 (20 U.S.C. 1098) is amended—~~

~~(1) in subsection (a)(2)—~~

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

~~(B) in subparagraph (C), by striking the period and inserting a semicolon; and~~

~~(C) by adding at the end the following:~~

1 ~~"(D) to provide knowledge and under-~~
2 ~~standing of early intervention programs, and to~~
3 ~~make recommendations that will result in early~~
4 ~~awareness by low- and moderate-income stu-~~
5 ~~dents and families—~~
6 ~~"(i) of their eligibility for assistance~~
7 ~~under this title; and~~
8 ~~"(ii) to the extent practicable, of their~~
9 ~~eligibility for other forms of State and in-~~
10 ~~stitutional need-based student assistance;~~
11 ~~and~~
12 ~~"(E) to make recommendations that will~~
13 ~~expand and improve partnerships among the~~
14 ~~Federal Government, States, institutions of~~
15 ~~higher education, and private entities to in-~~
16 ~~crease the awareness and the total amount of~~
17 ~~need-based student assistance available to low-~~
18 ~~and moderate-income students.";~~
19 ~~(2) in subsection (d)(6), by striking ", but~~
20 ~~nothing" and all that follows through "or analyses";~~
21 ~~(3) in subsection (j)—~~
22 ~~(A) in paragraph (1)—~~
23 ~~(i) by inserting "and simplification"~~
24 ~~after "modernization" each place the term~~
25 ~~appears; and~~

~~(ii) by striking "including" and all that follows through "Department,"; and~~

~~(B) by striking paragraphs (4) and (5) and inserting the following:~~

~~"(4) conduct a review and analysis of regulations in accordance with subsection (l); and~~

~~"(5) conduct a study in accordance with subsection (m).";~~

~~(4) in subsection (k), by striking "2004" and inserting "2010"; and~~

~~(5) by adding at the end the following:~~

~~"(l) REVIEW AND ANALYSIS OF REGULATIONS.—~~

~~"(1) RECOMMENDATIONS.—The Advisory Committee shall make recommendations to the Secretary 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 determina-~~

~~tion 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 2005 less than $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 Advisory 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 assistance 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 2005, 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).~~

1 ~~"(5) ADDITIONAL SUPPORT.—The Secretary~~
2 ~~and the Inspector General of the Department shall~~
3 ~~provide such assistance and resources to the Advi-~~
4 ~~sory Committee as the Secretary and Inspector Gen-~~
5 ~~eral determine are necessary to conduct the review~~
6 ~~required by this subsection.~~
7 ~~"(m) STUDY OF INNOVATIVE PATHWAYS TO BACCA-~~
8 ~~LAUREATE DEGREE ATTAINMENT.—~~
9 ~~"(1) STUDY REQUIRED.—The Advisory Com-~~
10 ~~mittee shall conduct a study of the feasibility of in-~~
11 ~~creasing baccalaureate degree attainment rates by~~
12 ~~reducing the costs and financial barriers to attaining~~
13 ~~a baccalaureate degree through innovative programs.~~
14 ~~"(2) SCOPE OF STUDY.—The Advisory Com-~~
15 ~~mittee shall examine new and existing programs that~~
16 ~~promote baccalaureate degree attainment through~~
17 ~~innovative ways, such as dual or concurrent enroll-~~
18 ~~ment programs, changes made to the Federal Pell~~
19 ~~Grant program, simplification of the needs analysis~~
20 ~~process, compressed or modular scheduling, articula-~~
21 ~~tion agreements, and programs that allow 2-year in-~~
22 ~~stitutions of higher education to offer baccalaureate~~
23 ~~degrees.~~
24 ~~"(3) REQUIRED ASPECTS OF THE STUDY.—In~~
25 ~~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, including parents, students, appropriate representatives of secondary schools and institutions of higher education, appropriate State administrators, ad-~~

~~ministrators of dual enrollment programs, and appropriate officials from the Department.~~

~~"(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 1 interim report, not later than 1 year after the date of enactment of the Higher Education Amendments of 2005, 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 2005, 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 re-~~

~~lated to the topics identified under paragraph (2).''.~~

~~SEC. 497. REGIONAL MEETINGS.~~

~~Section 492(a)(1) (20 U.S.C. 1098a(a)(1)) is amended by inserting ''State student grant agencies,'' after ''institutions of higher education,''.~~

~~SEC. 498. YEAR 2000 REQUIREMENTS AT THE DEPARTMENT.~~

~~(a) REPEAL.—Section 493A (20 U.S.C. 1098c) is repealed.~~

~~(b) REDESIGNATION.—Section 493B (20 U.S.C. 1098d) is redesignated as section 493A.~~

~~PART H—PROGRAM INTEGRITY~~

~~SEC. 499. RECOGNITION OF ACCREDITING AGENCY OR ASSOCIATION.~~

~~Section 496 (200 U.S.C. 1099b) is amended—~~

~~(1) in subsection (a)—~~

~~(A) by striking paragraph (4) and inserting the following:~~

~~''(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, completes and receives the academic credit;";~~

~~(B) in paragraph (5), by striking subparagraph (A) and inserting the following:~~

~~"(A) success with respect to student achievement in relation to the institution's mission, including—~~

~~"(i) consideration of student academic achievement as determined by the institution;~~

~~"(ii) student retention;~~

~~"(iii) course and program completion;~~

~~"(iv) as appropriate, State licensing examinations;~~

~~"(v) as appropriate, job placement rates; and~~

~~"(vi) as appropriate, other student performance information selected by the institution, particularly that information used by the institution to evaluate or strengthen its programs;";~~

~~(C) by striking paragraph (6) and inserting the following:~~

~~"(6) such an agency or association shall establish and apply review procedures throughout the accrediting process, including evaluation and with-~~

~~drawal 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 in the evaluation and withdrawal proceedings prior to final action;~~

~~"(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;"; and~~

~~(D) by striking paragraph (8) and inserting the following:~~

~~"(8) such agency or association shall make available to the public and the State licensing or authorizing agency, and submit to the Secretary, a summary of agency or association actions, including—~~

~~"(A) the award of accreditation or reaccreditation of an institution;~~

~~"(B) final denial, withdrawal, suspension, or termination of accreditation, 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."; and~~

~~(2) in subsection (c)—~~

~~(A) in paragraph (1), by inserting ", including those regarding distance education" after "their responsibilities";~~

~~(B) by redesignating paragraphs (2) through (6) as paragraphs (5) through (9);~~

~~(C) by inserting after paragraph (1) (as amended by subparagraph (A)) the following:~~

~~"(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.";~~

~~(D) in paragraph (8) (as redesignated by subparagraph (B)), by striking "and" after the semicolon;~~

1 ~~(E) in subparagraph (9) (as redesignated~~
2 ~~by subparagraph (B)), by striking the period~~
3 ~~and inserting "; and"; and~~
4 ~~(F) by adding at the end the following:~~
5 ~~"(10) confirms, as a part of the agency or asso-~~
6 ~~ciation's review for accreditation or reaccreditation,~~
7 ~~that the institution has transfer of credit policies—~~
8 ~~"(A) that are publicly disclosed;~~
9 ~~"(B) that do not deny transfer of credit~~
10 ~~based solely on the accreditation of the sending~~
11 ~~institution, if the agency or association accred-~~
12 ~~iting the sending institution is recognized by~~
13 ~~the Secretary pursuant to this section; and~~
14 ~~"(C) in which acceptance or denial of~~
15 ~~transfer of credit is decided according to cri-~~
16 ~~teria established in guidelines developed by the~~
17 ~~institution's admissions committee.".~~
18 **~~SEC. 499A. ADMINISTRATIVE CAPACITY STANDARD.~~**
19 ~~Section 498 (20 U.S.C. 1099c) is amended—~~
20 ~~(1) in subsection (d)(1)(B), by inserting "and"~~
21 ~~after the semicolon; and~~
22 ~~(2) by adding at the end the following:~~
23 ~~"(k) TREATMENT OF TEACH-OUTS AT ADDITIONAL~~
24 ~~LOCATIONS.—~~

1 ~~"(1) IN GENERAL.—A location of a closed insti-~~
2 ~~tution of higher education shall be eligible as an ad-~~
3 ~~ditional location of an eligible institution of higher~~
4 ~~education, as defined pursuant to regulations of the~~
5 ~~Secretary, for the purposes of a teach-out, if such~~
6 ~~teach-out has been approved by the institution's ac-~~
7 ~~crediting agency.~~
8 ~~"(2) SPECIAL RULE.—An institution of higher~~
9 ~~education that conducts a teach-out through the es-~~
10 ~~tablishment of an additional location described in~~
11 ~~paragraph (1) shall be permitted to establish a per-~~
12 ~~manent additional location at a closed institution~~
13 ~~and shall not be required—~~
14 ~~"(A) to meet the requirements of sections~~
15 ~~102(b)(1)(E) and 102(c)(1)(C) for such addi-~~
16 ~~tional location; or~~
17 ~~"(B) to assume the liabilities of the closed~~
18 ~~institution.".~~
19 **~~SEC. 499B. PROGRAM REVIEW AND DATA.~~**
20 ~~Section 498A(b) (20 U.S.C. 1099c–1(b)) is amend-~~
21 ~~ed—~~
22 ~~(1) in paragraph (4), by striking "and" after~~
23 ~~the semicolon;~~
24 ~~(2) in paragraph (5) by striking the period and~~
25 ~~inserting a semicolon; and~~

~~(3) by adding at the end the following:~~

~~"(6) provide to an institution of higher education an adequate opportunity to review and respond to any program review report or audit finding, and relevant materials related to the report or finding, before any final program review or audit determination is reached;~~

~~"(7) review and take into consideration an institution of higher education's response in any final program review or audit determination; and~~

~~"(8) maintain and preserve at all times the confidentiality of any program review report or audit finding until the requirements of paragraphs (6) and (7) are met, and until a final program review or audit determination 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 and audit findings to the institution of higher education under review.".~~

~~TITLE V—DEVELOPING INSTITUTIONS~~

~~SEC. 501. DEFINITIONS.~~

~~Section 502(a) (20 U.S.C. 1101a(a)) is amended—~~

~~(1) in paragraph (5)—~~

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

~~(B) in subparagraph (B), by striking "; and" and inserting a period; and~~

~~(C) by striking subparagraph (C); and~~

~~(2) by striking paragraph (7).~~

~~SEC. 502. AUTHORIZED ACTIVITIES.~~

~~Section 503(b) (20 U.S.C. 1101b(b)) is amended—~~

~~(1) by redesignating paragraphs (6) through (14) as paragraphs (8) through (16), respectively;~~

~~(2) in paragraph (5), by inserting ", 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" before the period at the end; and~~

~~(3) by inserting after paragraph (5) the following:~~

~~"(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.".~~

1 **SEC. 503. DURATION OF GRANT.**

2 Section 504(a) (20 U.S.C. 1101c(a)) is amended to
3 read as follows:

4 ''(a) AWARD PERIOD.—The Secretary may award a
5 grant to a Hispanic-serving institution under this title for
6 5 years.''.

7 **SEC. 504. POSTBACCALAUREATE OPPORTUNITIES FOR HIS-**
8 **PANIC AMERICANS.**

9 (a) ESTABLISHMENT OF PROGRAM.—Title V (20
10 U.S.C. 1101 et seq.) is amended—

11 (1) by redesignating part B as part C;

12 (2) by redesignating sections 511 through 518
13 as sections 521 through 528, respectively; and

14 (3) by inserting after section 505 the following:

15 **''PART B—PROMOTING POSTBACCALAUREATE**
16 **OPPORTUNITIES FOR HISPANIC AMERICANS**

17 **''SEC. 511. PROGRAM AUTHORITY AND ELIGIBILITY.**

18 ''(a) PROGRAM AUTHORIZED.—Subject to the avail-
19 ability of funds appropriated to carry out this part, the
20 Secretary shall award grants, on a competitive basis, to
21 eligible institutions to enable the eligible institutions to
22 carry out the authorized activities described in section
23 512.

24 ''(b) ELIGIBILITY.—For the purposes of this part, an
25 'eligible institution' means an institution of higher edu-
26 cation that—

1 ~~"(1) is a Hispanic-serving institution (as de-~~
2 ~~fined in section 502); and~~
3 ~~"(2) offers a postbaccalaureate certificate or de-~~
4 ~~gree granting program.~~
5 ~~**"SEC. 512. AUTHORIZED ACTIVITIES.**~~
6 ~~"Grants awarded under this part shall be used for~~
7 ~~1 or more of the following activities:~~
8 ~~"(1) Purchase, rental, or lease of scientific or~~
9 ~~laboratory equipment for educational purposes, in-~~
10 ~~cluding instructional and research purposes.~~
11 ~~"(2) Construction, maintenance, renovation,~~
12 ~~and improvement in classroom, library, laboratory,~~
13 ~~and other instructional facilities, including purchase~~
14 ~~or rental of telecommunications technology equip-~~
15 ~~ment or services.~~
16 ~~"(3) Purchase of library books, periodicals,~~
17 ~~technical and other scientific journals, microfilm,~~
18 ~~microfiche, and other educational materials, includ-~~
19 ~~ing telecommunications program materials.~~
20 ~~"(4) Support for needy postbaccalaureate stu-~~
21 ~~dents, including outreach, academic support services,~~
22 ~~mentoring, scholarships, fellowships, and other fi-~~
23 ~~nancial assistance, to permit the enrollment of such~~
24 ~~students in postbaccalaureate certificate and degree~~
25 ~~granting programs.~~

1 ~~"(5) Support of faculty exchanges, faculty de-~~
2 ~~velopment, faculty research, curriculum development,~~
3 ~~and academic instruction.~~
4 ~~"(6) Creating or improving facilities for Inter-~~
5 ~~net or other distance learning academic instruction~~
6 ~~capabilities, including purchase or rental of tele-~~
7 ~~communications technology equipment or services.~~
8 ~~"(7) Collaboration with other institutions of~~
9 ~~higher education to expand postbaccalaureate certifi-~~
10 ~~cate and degree offerings.~~
11 ~~"(8) Other activities proposed in the application~~
12 ~~submitted pursuant to section 513 that are approved~~
13 ~~by the Secretary as part of the review and accept-~~
14 ~~ance of such application.~~
15 **~~"SEC. 513. APPLICATION AND DURATION.~~**
16 ~~"(a) APPLICATION.—Any eligible institution may~~
17 ~~apply for a grant under this part by submitting an applica-~~
18 ~~tion to the Secretary at such time and in such manner~~
19 ~~as the Secretary may require. Such application shall dem-~~
20 ~~onstrate how the grant funds will be used to improve~~
21 ~~postbaccalaureate education opportunities for Hispanic~~
22 ~~and low-income students and will lead to such students'~~
23 ~~greater financial independence.~~
24 ~~"(b) DURATION.—Grants under this part shall be~~
25 ~~awarded for a period not to exceed 5 years.~~

1 ~~"(c) LIMITATION.—The Secretary may not award~~
2 ~~more than 1 grant under this part in any fiscal year to~~
3 ~~any Hispanic-serving institution.".~~

4 ~~**SEC. 505. APPLICATIONS.**~~

5 ~~Section 521(b)(1)(A) (as redesignated by section~~
6 ~~504(a)(2)) (20 U.S.C. 1103(b)(1)(A)) is amended by~~
7 ~~striking "subsection (b)" and inserting "subsection (c)".~~

8 ~~**SEC. 506. COOPERATIVE ARRANGEMENTS.**~~

9 ~~Section 524(a) (as redesignated by section 504(a)(2))~~
10 ~~(20 U.S.C. 1103c(a)) is amended by striking "section~~
11 ~~503" and inserting "sections 503 and 512".~~

12 ~~**SEC. 507. AUTHORIZATION OF APPROPRIATIONS.**~~

13 ~~Section 528(a) (as redesignated by section 504(a)(2))~~
14 ~~(20 U.S.C. 1103g(a)) is amended—~~

15 ~~(1) by inserting "part A of" after "carry out";~~
16 ~~(2) by striking "$62,500,000 for fiscal year~~
17 ~~1999" and all that follows through the period and~~
18 ~~inserting "such sums as may be necessary for fiscal~~
19 ~~year 2006 and each of the 5 succeeding fiscal~~
20 ~~years.";~~
21 ~~(3) by striking "(a) **AUTHORIZATIONS**.—~~
22 ~~There are" and inserting the following:~~
23 ~~"(a) AUTHORIZATIONS.—~~
24 ~~"(1) PART A.—There are"; and~~
25 ~~(4) by adding at the end the following:~~

1 ~~"(2) PART B.—There are authorized to be ap-~~
2 ~~propriated to carry out part B of this title such~~
3 ~~sums as may be necessary for fiscal year 2006 and~~
4 ~~each of the 5 succeeding fiscal years.".~~

5 **~~TITLE VI—INTERNATIONAL~~**
6 **~~EDUCATION PROGRAMS~~**

7 **~~SEC. 601. FINDINGS.~~**

8 ~~Section 601 (20 U.S.C. 1121) is amended—~~

9 ~~(1) in the section heading, by striking "AND~~
10 ~~PURPOSES" and inserting "; PURPOSES; CON-~~
11 ~~SULTATION; SURVEY"~~

12 ~~(2) in subsection (a)(3), by striking "post-Cold~~
13 ~~War";~~

14 ~~(3) in subsection (b)(1)(D), by inserting ", in-~~
15 ~~cluding through linkages with overseas institutions"~~
16 ~~before the semicolon; and~~

17 ~~(4) by adding at the end the following:~~

18 ~~"(e) CONSULTATION.—The Secretary shall, prior to~~
19 ~~requesting applications for funding under this title during~~
20 ~~each grant cycle, consult with and receive recommenda-~~
21 ~~tions regarding national need for expertise in foreign lan-~~
22 ~~guages and world regions from the head official, or a des-~~
23 ~~ignee of such head official, of the National Security Coun-~~
24 ~~cil, the Department of Homeland Security, the Depart-~~
25 ~~ment of Defense, the Department of State, the Federal~~

~~Bureau of Investigation, the Department of Labor, and the Department of Commerce, and the Director of National Intelligence. These entities shall provide information to the Secretary regarding how they utilize services 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 postparticipation placement. All grantees, where applicable, shall administer such survey not less often than annually and report such data to the Secretary.".~~

~~SEC. 602. GRADUATE AND UNDERGRADUATE LANGUAGE AND AREA CENTERS AND PROGRAMS.~~

~~Section 602 (20 U.S.C. 1122) is amended—~~

~~(1) in subsection (a)—~~

~~(A) in paragraph (2)—~~

~~(i) in subparagraph (G), by striking "and" after the semicolon;~~

~~(ii) in subparagraph (H), by striking the period and inserting "; and"; and~~

~~(iii) by adding at the end the following:~~

~~"(I) support for instructors of the less commonly taught languages."; and~~

~~(B) in paragraph (4)—~~

~~(i) by redesignating subparagraphs (C) through (E) as subparagraphs (D) through (F), respectively;~~

~~(ii) by inserting after subparagraph (B) the following:~~

~~"(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."; and~~

~~(iii) in subparagraph (F) (as redesignated by clause (i)), by striking "and (D)" and inserting "(D), and (E)";~~

~~(2) in subsection (b)—~~

~~(A) in the subsection heading, by striking "GRADUATE"; and~~

~~(B) by striking paragraph (2) and inserting the following:~~

1 ~~"(2) ELIGIBLE STUDENTS.—A student receiv-~~
2 ~~ing a stipend described in paragraph (1) shall be en-~~
3 ~~gaged—~~
4 ~~"(A) in an instructional program with stat-~~
5 ~~ed performance goals for functional foreign lan-~~
6 ~~guage use or in a program developing such per-~~
7 ~~formance goals, in combination with area stud-~~
8 ~~ies, international studies, or the international~~
9 ~~aspects of a professional studies program; and~~
10 ~~"(B)(i) in the case of an undergraduate~~
11 ~~student, in the intermediate or advanced study~~
12 ~~of a less commonly taught language; or~~
13 ~~"(ii) in the case of a graduate student, in~~
14 ~~graduate study in connection with a program~~
15 ~~described in subparagraph (A), including—~~
16 ~~"(I) predissertation level study;~~
17 ~~"(II) preparation for dissertation re-~~
18 ~~search;~~
19 ~~"(III) dissertation research abroad; or~~
20 ~~"(IV) dissertation writing.";~~
21 ~~(3) by striking subsection (d) and inserting the~~
22 ~~following:~~
23 ~~"(d) ALLOWANCES.—~~
24 ~~"(1) GRADUATE LEVEL RECIPIENTS.—A sti-~~
25 ~~pend awarded to a graduate level recipient may in-~~

1 ~~clude allowances for dependents and for travel for~~
2 ~~research and study in the United States and abroad.~~
3 ~~"(2) UNDERGRADUATE LEVEL RECIPIENTS.—A~~
4 ~~stipend awarded to an undergraduate level recipient~~
5 ~~may include an allowance for educational programs~~
6 ~~in the United States or educational programs abroad~~
7 ~~that—~~
8 ~~"(A) are closely linked to the overall goals~~
9 ~~of the recipient's course of study; and~~
10 ~~"(B) have the purpose of promoting for-~~
11 ~~eign language fluency and knowledge of foreign~~
12 ~~cultures."; and~~
13 ~~(4) by adding at the end the following:~~
14 ~~"(c) APPLICATION.—Each institution or combination~~
15 ~~of institutions desiring a grant under this section shall~~
16 ~~submit an application to the Secretary at such time, in~~
17 ~~such manner, and accompanied by such information and~~
18 ~~assurances as the Secretary may require. Each application~~
19 ~~shall include an explanation of how the activities funded~~
20 ~~by the grant will reflect diverse and balanced perspectives~~
21 ~~and generate debate on world regions and international~~
22 ~~affairs. Each application shall also describe how the appli-~~
23 ~~cant will address disputes regarding diversity and balance~~
24 ~~of activities funded under the application. Each applica-~~
25 ~~tion shall also include a description of how the applicant~~

will encourage government service in areas of national need as identified by the Secretary.''.

SEC. 603. UNDERGRADUATE INTERNATIONAL STUDIES AND FOREIGN LANGUAGE PROGRAMS.

Section 604 (20 U.S.C. 1124) is amended—

(1) in subsection (a)—

(A) in paragraph (2)—

(i) by redesignating subparagraphs (I) through (M) as subparagraphs (J) through (N), respectively; and

(ii) by inserting after subparagraph (H) the following:

''(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;''; and

(B) in paragraph (7)—

(i) in subparagraph (C), by striking ''and'' after the semicolon;

~~(ii) in subparagraph (D), by striking the period at the end and inserting a semicolon; and~~

~~(iii) by adding at the end the following:~~

~~"(E) an explanation of how the activities funded by the grant will reflect diverse and balanced perspectives and generate debate on world regions and international affairs, where applicable;~~

~~"(F) a description of how the applicant will address disputes regarding diversity and balance of activities funded under the application; and~~

~~"(G) a description of how the applicant will encourage government service in areas of national need as identified by the Secretary."; and~~

~~(2) in subsection (c)—~~

~~(A) by striking "**FUNDING SUPPORT**.—The Secretary" and inserting "**FUNDING RULES**.—~~

~~"(1) THE SECRETARY.—The Secretary";~~

~~(B) by striking "10" and inserting "20"; and~~

1 ~~(C) by adding at the end the following:~~

2 ~~"(2) GRANTEES.—Of the total amount of grant~~
3 ~~funds awarded to a grantee under this section, the~~
4 ~~grantee may use not more than 10 percent of such~~
5 ~~funds for the activity described in subsection~~
6 ~~(a)(2)(I).".~~

7 **~~SEC. 604. RESEARCH; STUDIES.~~**

8 ~~Section 605(a) (20 U.S.C. 1125(a)) is amended—~~

9 ~~(1) in paragraph (8), by striking "and" after~~
10 ~~the semicolon;~~

11 ~~(2) in paragraph (9), by striking the period and~~
12 ~~inserting a semicolon; and~~

13 ~~(3) by adding at the end the following:~~

14 ~~"(10) evaluation of the extent to which pro-~~
15 ~~grams assisted under this title reflect diverse and~~
16 ~~balanced perspectives and generate debate on world~~
17 ~~regions and international affairs;~~

18 ~~"(11) the systematic collection, analysis, and~~
19 ~~dissemination of data that contribute to achieving~~
20 ~~the purposes of this part; and~~

21 ~~"(12) support for programs or activities to~~
22 ~~make data collected, analyzed, or disseminated under~~
23 ~~this section publicly available and easy to under-~~
24 ~~stand.".~~

~~SEC. 605. TECHNOLOGICAL INNOVATION AND COOPERATION FOR FOREIGN INFORMATION ACCESS.~~

~~Section 606 (20 U.S.C. 1126) is amended—~~

~~(1) in subsection (a)—~~

~~(A) by striking "new electronic technologies" and insert "electronic technologies";~~

~~(B) by inserting "from foreign sources" after "disseminate information";~~

~~(C) by striking "**AUTHORITY**.—The Secretary" and insert "**AUTHORITY**.—~~

~~"(1) IN GENERAL.—The Secretary"; and~~

~~(D) by adding at the end the following:~~

~~"(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.";~~

~~(2) in subsection (b)—~~

~~(A) in paragraph (1), by striking "to facilitate access to" and inserting "to acquire, facilitate access to,";~~

~~(B) in paragraph (2), by inserting "or standards for" after "means of";~~

~~(C) in paragraph (6), by striking "and" after the semicolon;~~

~~(D) in paragraph (7), by striking the period and inserting a semicolon; and~~

~~(E) by adding at the end the following:~~

~~"(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.''; and

(3) in subsection (c), by striking ''institution or consortium'' and inserting ''institution of higher education, library, or consortium''.

SEC. 606. SELECTION OF CERTAIN GRANT RECIPIENTS.

Section 607 (20 U.S.C. 1127) is amended—

(1) in subsection (a), by striking ''evaluates the applications for comprehensive and undergraduate language and area centers and programs.'' and inserting ''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.''; and

(2) in subsection (b), by adding at the end the following: ''The Secretary shall also consider an applicant's record of sending students into public service and an applicant's stated efforts to increase the number of students that go into public service.''.

SEC. 607. AMERICAN OVERSEAS RESEARCH CENTERS.

Section 609 (20 U.S.C. 1128a) is amended by adding at the end the following:

1 ~~"(c) APPLICATION.—Each center desiring a grant~~
2 ~~under this section shall submit an application to the Sec-~~
3 ~~retary at such time, in such manner, and accompanied by~~
4 ~~such information and assurances as the Secretary may re-~~
5 ~~quire. Each application shall include how the activities~~
6 ~~funded by the grant will reflect diverse and balanced per-~~
7 ~~spectives and generate debate on world regions and inter-~~
8 ~~national affairs, where applicable. Each application shall~~
9 ~~also describe how the applicant will address disputes re-~~
10 ~~garding diversity and balance of activities funded under~~
11 ~~the application.".~~

12 **~~SEC. 608. AUTHORIZATION OF APPROPRIATIONS FOR~~**
13 **~~INTERNATIONAL AND FOREIGN LANGUAGE~~**
14 **~~STUDIES.~~**

15 ~~Section 610 (20 U.S.C. 1128b) is amended by strik-~~
16 ~~ing "$80,000,000 for fiscal year 1999" and all that fol-~~
17 ~~lows through the period and inserting "such sums as may~~
18 ~~be necessary for fiscal year 2006 and each of the 5 suc-~~
19 ~~ceeding fiscal years.".~~

20 **~~SEC. 609. CENTERS FOR INTERNATIONAL BUSINESS EDU-~~**
21 **~~CATION.~~**

22 ~~Section 612(f) (20 U.S.C. 1130–1(f)) is amended—~~
23 ~~(1) in paragraph (3), by striking "and" after~~
24 ~~the semicolon;~~

~~(2) in paragraph (4), by striking the period at the end and inserting "; and"; and~~

~~(3) by adding at the end the following:~~

~~"(5) assurances that activities funded by the grant will reflect diverse and balanced perspectives and generate debate on world regions and international affairs, where applicable.".~~

~~SEC. 610. EDUCATION AND TRAINING PROGRAMS.~~

~~Section 613(c) (20 U.S.C. 1130a(c)) is amended by adding at the end the following: "Each such application shall include an assurance that, where applicable, the activities funded by the grant will reflect diverse and balanced perspectives on world regions and international affairs.".~~

~~SEC. 611. AUTHORIZATION OF APPROPRIATIONS FOR BUSINESS AND INTERNATIONAL EDUCATION PROGRAMS.~~

~~Section 614 (20 U.S.C. 1130b) is amended—~~

~~(1) in subsection (a), by striking "$11,000,000 for fiscal year 1999" and all that follows through "fiscal years" and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years"; and~~

~~(2) in subsection (b), by striking "$7,000,000 for fiscal year 1999" and all that follows through~~

1 ~~"fiscal years," and inserting "such sums as may be~~
2 ~~necessary for fiscal year 2006 and each of the 5 suc-~~
3 ~~ceeding fiscal years".~~

4 ~~**SEC. 612. MINORITY FOREIGN SERVICE PROFESSIONAL DE-**~~
5 ~~**VELOPMENT PROGRAM.**~~

6 ~~Section 621 (20 U.S.C. 1131) is amended—~~

7 ~~(1) in subsection (c), by adding at the end the~~
8 ~~following: "Each application shall include a descrip-~~
9 ~~tion of how the activities funded by the grant will re-~~
10 ~~flect diverse and balanced perspectives on world re-~~
11 ~~gions and international affairs, where applicable."; and~~

12

13 ~~(2) in subsection (e)—~~

14 ~~(A) by striking "**MATCH REQUIRED**.—~~
15 ~~The eligible" and inserting "**MATCHING**~~
16 ~~**FUNDS**.—~~

17 ~~"(1) IN GENERAL.—Subject to paragraph (2),~~
18 ~~the eligible"; and~~

19 ~~(B) by adding at the end the following:~~

20 ~~"(2) WAIVER.—The Secretary may waive the~~
21 ~~requirement of paragraph (1) for an eligible recipi-~~
22 ~~ent if the Secretary determines such waiver is appro-~~
23 ~~priate.".~~

24 ~~**SEC. 613. INSTITUTIONAL DEVELOPMENT.**~~

25 ~~Section 622 (20 U.S.C. 1131–1) is amended—~~

~~(1) in subsection (a)—~~

~~(A) by striking "Tribally Controlled Colleges or Universities" and inserting "tribally controlled colleges or universities"; and~~

~~(B) by striking "international affairs programs." and inserting "international affairs, international business, and foreign language study programs, including the teaching of foreign languages, at such colleges, universities, and institutions, respectively, through increased collaboration with institutions of higher education that receive funding under this title."; and~~

~~(2) in subsection (c)—~~

~~(A) by striking paragraphs (1) and (3); and~~

~~(B) by redesignating paragraphs (2) and (4) as paragraphs (1) and (2), respectively.~~

~~SEC. 614. STUDY ABROAD PROGRAM.~~

~~Section 623(a) (20 U.S.C. 1131a(a)) is amended—~~

~~(1) by striking "as defined in section 322 of this Act"; and~~

~~(2) by striking "tribally controlled Indian community colleges as defined in the Tribally Controlled~~

~~Community College Assistance Act of 1978'' and inserting ''tribally controlled colleges or universities''.~~

~~SEC. 615. ADVANCED DEGREE IN INTERNATIONAL RELATIONS.~~

~~Section 624 (20 U.S.C. 1131b) is amended—~~

~~(1) in the section heading, by striking ''**MASTERS**'' and inserting ''**ADVANCED**'';~~

~~(2) in the first sentence, by inserting '', and in exceptional circumstances, a doctoral degree,'' after ''masters degree'';~~

~~(3) in the second sentence, by striking ''masters degree'' and inserting ''advanced degree''; and~~

~~(4) in the fourth sentence, by striking ''United States'' and inserting ''United States.''.~~

~~SEC. 616. INTERNSHIPS.~~

~~Section 625 (20 U.S.C. 1131c) is amended—~~

~~(1) in subsection (a)—~~

~~(A) by striking ''as defined in section 322 of this Act'';~~

~~(B) by striking ''tribally controlled Indian community colleges as defined in the Tribally Controlled Community College Assistance Act of 1978'' and inserting ''tribally controlled colleges or universities'';~~

~~(C) by striking "an international" and inserting "international,"; and~~

~~(D) by striking "the United States Information Agency" and inserting "the Department of State"; and~~

~~(2) in subsection (c)(1)—~~

~~(A) in subparagraph (E), by inserting "and" after the semicolon;~~

~~(B) in subparagraph (F), by striking "; and" and inserting a period; and~~

~~(C) by striking subparagraph (G).~~

~~SEC. 617. FINANCIAL ASSISTANCE.~~

~~Part C of title VI (20 U.S.C. 1131 et seq.) is further amended—~~

~~(1) by redesignating sections 626, 627, and 628 as sections 627, 628, and 629, respectively; and~~

~~(2) by inserting after section 625 the following:~~

~~"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 ~~"(1) REQUIREMENTS.—A student receiving a~~
2 ~~summer stipend under this section shall use such sti-~~
3 ~~pend to defray the student's cost of participation in~~
4 ~~a summer institute program funded under this part,~~
5 ~~including the costs of travel, living, and educational~~
6 ~~expenses necessary for the student's participation in~~
7 ~~such program.~~
8 ~~"(2) AMOUNT.—A summer stipend awarded to~~
9 ~~a student under this section shall not exceed $3,000~~
10 ~~per summer.~~
11 ~~"(c) RALPH BUNCHE SCHOLARSHIP.—~~
12 ~~"(1) REQUIREMENTS.—A student receiving a~~
13 ~~Ralph Bunche scholarship under this section—~~
14 ~~"(A) shall be a full-time student at an in-~~
15 ~~stitution of higher education who is accepted~~
16 ~~into a program funded under this part; and~~
17 ~~"(B) shall use such scholarship to pay~~
18 ~~costs related to the cost of attendance, as de-~~
19 ~~fined in section 472, at the institution of higher~~
20 ~~education in which the student is enrolled.~~
21 ~~"(2) AMOUNT AND DURATION.—A Ralph~~
22 ~~Bunche scholarship awarded to a student under this~~
23 ~~section shall not exceed $5,000 per academic year.".~~

~~SEC. 618. REPORT.~~

~~Section 627 (as redesignated by section 617(1)) (20 U.S.C. 1131d) is amended by striking "annually" and inserting "biennially".~~

~~SEC. 619. GIFTS AND DONATIONS.~~

~~Section 628 (as redesignated by section 617(1)) (20 U.S.C. 1131e) is amended by striking "annual report described in section 626" and inserting "biennial report described in section 627".~~

~~SEC. 620. AUTHORIZATION OF APPROPRIATIONS FOR THE INSTITUTE FOR INTERNATIONAL PUBLIC POLICY.~~

~~Section 629 (as redesignated by section 617(1)) (20 U.S.C. 1131f) is amended by striking "$10,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.".~~

~~SEC. 621. DEFINITIONS.~~

~~Section 631 (20 U.S.C. 1132) is amended—~~

~~(1) by redesignating paragraphs (2), (3), (4), (5), (6), (7), (8), and (9), as paragraphs (8), (5), (9), (2), (11), (3), (7), and (4), respectively;~~

~~(2) in paragraph (2), as redesignated by paragraph (1), by striking "comprehensive language and area center" and inserting "comprehensive foreign language and area or international studies center";~~

~~(3) in paragraph (11), as redesignated by paragraph (1), by striking "undergraduate language and area center" and inserting "undergraduate foreign language and area or international studies center";~~

~~(4) in paragraph (3), as redesignated by paragraph (1), by striking the first occurrence of the term "critical languages" and inserting "critical foreign languages";~~

~~(5) in paragraph (7), as redesignated by paragraph (1), by striking "and" after the semicolon;~~

~~(6) in paragraph (4), as redesignated by paragraph (1), by striking the period at the end and inserting a semicolon;~~

~~(7) by inserting after paragraph (5), as redesignated by paragraph (1), the following:~~

~~"(6) the term 'historically Black college and university' has the meaning given the term 'part B institution' in section 322;"; and~~

~~(8) by inserting after paragraph (9), as redesignated by paragraph (1), the following:~~

~~"(10) 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".~~

~~SEC. 622. ASSESSMENT AND ENFORCEMENT.~~

~~Part D of title VI (20 U.S.C. 1132) is amended by adding at the end the following:~~

~~"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, and such complaint is filed with the Department, the Secretary shall be notified, and is authorized, when circumstances warrant, to immediately suspend future funding for the grant pending resolution of such dispute. Such resolution shall not exceed 60 days. The Secretary shall take the outcomes 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 dis-~~

~~semination activities relating to the programs authorized under this title.''.~~

~~TITLE VII—GRADUATE AND POSTSECONDARY IMPROVEMENT PROGRAMS~~

~~SEC. 701. PURPOSE.~~

~~Section 700(1)(B)(i) (20 U.S.C. 1133(1)(B)(i)) is amended by inserting '', including those areas critical to United States national and homeland security needs such as mathematics, science, and engineering'' before the semicolon at the end.~~

~~SEC. 702. ALLOCATION OF JACOB K. JAVITS FELLOWSHIPS.~~

~~Section 702(a)(1) (20 U.S.C. 1134a(a)(1)) is amended to read as follows:~~

~~''(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. STIPENDS.~~

~~Section 703(a) (20 U.S.C. 1134b(a)) is amended by striking "graduate fellowships" and inserting "Graduate Research Fellowship Program".~~

~~SEC. 704. AUTHORIZATION OF APPROPRIATIONS FOR THE JACOB K. JAVITS FELLOWSHIP PROGRAM.~~

~~Section 705 (20 U.S.C. 1134d) is amended by striking "$30,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years to carry out this subpart.".~~

~~SEC. 705. INSTITUTIONAL ELIGIBILITY UNDER THE GRADUATE ASSISTANCE IN AREAS OF NATIONAL NEED PROGRAM.~~

~~Section 712(b) (20 U.S.C. 1135a(b)) is amended to read as follows:~~

~~"(b) DESIGNATION OF AREAS OF NATIONAL NEED.—After consultation with appropriate Federal and nonprofit agencies and organizations, including the National Science Foundation, the Department of Defense, the Department of Homeland Security, the National Academy of Sciences, and the Bureau of Labor Statistics, the Secretary shall designate areas of national need. In making such designations, the Secretary shall take into consideration—~~

~~"(1) the extent to which the interest in the area is compelling;~~

~~"(2) the extent to which other Federal programs support postbaccalaureate study in the area concerned;~~

~~"(3) an assessment of how the program may achieve the most significant impact with available resources; and~~

~~"(4) an assessment of current and future professional workforce needs of the United States.".~~

~~SEC. 706. AWARDS TO GRADUATE STUDENTS.~~

~~Section 714 (20 U.S.C. 1135c) is amended—~~

~~(1) in subsection (b)—~~

~~(A) by striking "1999–2000" and inserting "2006–2007"; and~~

~~(B) by striking "graduate fellowships" and inserting "Graduate Research Fellowship Program"; and~~

~~(2) in subsection (c)—~~

~~(A) by striking "716(a)" and inserting "715(a)"; and~~

~~(B) by striking "714(b)(2)" and inserting "713(b)(2)".~~

~~SEC. 707. ADDITIONAL ASSISTANCE FOR COST OF EDUCATION.~~

~~Section 715(a)(1) (20 U.S.C. 1135d(a)(1)) is amended—~~

~~(1) by striking "1999–2000" and inserting "2006–2007"; and~~

~~(2) by striking "1998–1999" and inserting "2005–2006".~~

~~SEC. 708. AUTHORIZATION OF APPROPRIATIONS FOR THE GRADUATE ASSISTANCE IN AREAS OF NATIONAL NEED PROGRAM.~~

~~Section 716 (20 U.S.C. 1135e) is amended by striking "$35,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may~~

be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years to carry out this subpart.''.

SEC. 709. AUTHORIZATION OF APPROPRIATIONS FOR THE THURGOOD MARSHALL LEGAL EDUCATIONAL OPPORTUNITY PROGRAM.

Section 721(h) (20 U.S.C. 1136(h)) is amended by striking ''$5,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.''.

SEC. 710. FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION.

Section 741(a) (20 U.S.C. 1138(a)) is amended—

(1) by striking paragraph (3) and inserting the following:

''(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);'';

(2) in paragraph (7), by striking ''and'' after the semicolon;

(3) in paragraph (8), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following:

"(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 for the purpose of integrating curricular and co-curricular interdisciplinary study.".

SEC. 711. SPECIAL PROJECTS.

Section 744(c) (20 U.S.C. 1138c) is amended to read as follows:

"(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 inno-

~~vative 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. 712. AUTHORIZATION OF APPROPRIATIONS FOR THE FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION.~~

~~Section 745 (20 U.S.C. 1138d) is amended by striking "$30,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may~~

be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.''.

SEC. 713. AUTHORIZATION OF APPROPRIATIONS FOR THE URBAN COMMUNITY SERVICE PROGRAM.

Section 759 (20 U.S.C. 1139h) is amended by striking ''$20,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years to carry out this part.''.

SEC. 714. GRANTS AUTHORIZED FOR DEMONSTRATION PROJECTS TO ENSURE STUDENTS WITH DISABILITIES RECEIVE A QUALITY HIGHER EDUCATION.

Section 762 (20 U.S.C. 1140a) is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) in subparagraph (A), by striking ''to teach students with disabilities'' and inserting ''to teach and meet the academic and programmatic needs of students with disabilities in order to improve retention and completion of postsecondary education'';

~~(ii) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (F), respectively;~~

~~(iii) by inserting after subparagraph (A) the following:~~

~~"(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.";~~

~~(iv) in subparagraph (C), as redesignated by clause (ii), by striking the period at the end and inserting ", 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.";~~

~~(v) by inserting after subparagraph (C), as redesignated by clause (ii), the following:~~

~~"(D) DISTANCE LEARNING.—The development of innovative and effective teaching methods and strategies to provide faculty and ad-~~

~~ministrators 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.—Training and providing support to secondary and postsecondary staff to encourage interest in, enhance awareness and understanding of, provide educational opportunities in, teach practical skills related to, and offer work-based opportunities in, disability related fields, among students, including students with disabilities. Such training and support may include developing means to offer students credit-bearing, college-level coursework, and career and educational counseling.";~~ ~~and~~

~~(vi) by adding at the end the following:~~

~~"(G) ACCESSIBILITY OF EDUCATION.—Making postsecondary education more accessible to students with disabilities through curriculum development.";~~ ~~and~~

~~(B) in paragraph (3), by striking "subparagraphs (A) through (C)" and inserting "subparagraphs (A) through (G)"; and~~

~~(2) by adding at the end the following:~~

~~"(d) REPORT.—The Secretary shall prepare and disseminate a report reviewing the activities of the demonstration projects authorized under this part and providing guidance and recommendations on how successful projects can be replicated.".~~

~~SEC. 715. APPLICATIONS FOR DEMONSTRATION PROJECTS TO ENSURE STUDENTS WITH DISABILITIES RECEIVE A QUALITY HIGHER EDUCATION.~~

~~Section 763 (20 U.S.C. 1140b) is amended—~~

~~(1) by striking paragraph (1) and inserting the following:~~

~~"(1) a description of how such institution plans to address the activities allowed under this part;";~~

~~(2) in paragraph (2), by striking "and" after the semicolon;~~

~~(3) in paragraph (3), by striking the period at the end and inserting "; and"; and~~

~~(4) by adding at the end the following:~~

~~"(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. 716. AUTHORIZATION OF APPROPRIATIONS FOR THE DEMONSTRATION PROJECTS TO ENSURE STUDENTS WITH DISABILITIES RECEIVE A QUALITY HIGHER EDUCATION.

Section 765 (20 U.S.C. 1140d) is amended by striking ''$10,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.''.

TITLE VIII—MISCELLANEOUS

SEC. 801. MATHEMATICS AND SCIENCE SCHOLARS PROGRAM.

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

''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 com-

~~plete 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 completed 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~~

1 ~~"(2) for not more than 2 years of under-~~
2 ~~graduate study.~~
3 ~~"(f) MATCHING REQUIREMENT.—In order to receive~~
4 ~~a grant under this section, a State shall provide matching~~
5 ~~funds for the scholarships awarded under this section in~~
6 ~~an amount equal to 50 percent of the Federal funds re-~~
7 ~~ceived.~~
8 ~~"(g) AUTHORIZATION.—There are authorized to be~~
9 ~~appropriated to carry out this section such sums as may~~
10 ~~be necessary for fiscal year 2006 and each of the 5 suc-~~
11 ~~ceeding fiscal years.~~

12 **~~"PART B—POSTSECONDARY EDUCATION~~**
13 **~~ASSESSMENT~~**

14 **~~"SEC. 821. POSTSECONDARY EDUCATION ASSESSMENT.~~**

15 ~~"(a) CONTRACT FOR ASSESSMENT.—The Secretary~~
16 ~~shall enter into a contract, with an independent, bipartisan~~
17 ~~organization with specific expertise in public administra-~~
18 ~~tion and financial management, to carry out an inde-~~
19 ~~pendent assessment of the cost factors associated with the~~
20 ~~cost of tuition at institutions of higher education.~~
21 ~~"(b) TIMEFRAME.—The Secretary shall enter into~~
22 ~~the contract described in subsection (a) not later than 90~~
23 ~~days after the date of enactment of the Higher Education~~
24 ~~Amendments of 2005.~~

1 ~~"(c) MATTERS ASSESSED.—The assessment de-~~
2 ~~scribed in subsection (a) shall—~~
3 ~~"(1) examine the key elements driving the cost~~
4 ~~factors associated with the cost of tuition at institu-~~
5 ~~tions of higher education during academic year 2000~~
6 ~~and succeeding academic years;~~
7 ~~"(2) identify and evaluate measures being used~~
8 ~~to control postsecondary education costs;~~
9 ~~"(3) identify and evaluate effective measures~~
10 ~~that may be utilized to control postsecondary edu-~~
11 ~~cation costs in the future; and~~
12 ~~"(4) identify systemic approaches to monitor~~
13 ~~future postsecondary education costs trends and~~
14 ~~postsecondary education cost control mechanisms.~~
15 **~~"PART C—JOB SKILL TRAINING IN HIGH-GROWTH~~**
16 **~~OCCUPATIONS OR INDUSTRIES~~**
17 **~~"SEC. 831. JOB SKILL TRAINING IN HIGH-GROWTH OCCUPA-~~**
18 **~~TIONS OR INDUSTRIES.~~**
19 ~~"(a) GRANTS AUTHORIZED.—The Secretary is au-~~
20 ~~thorized to award grants, on a competitive basis, to eligible~~
21 ~~partnerships to enable the eligible partnerships to provide~~
22 ~~relevant job skill training in high-growth industries or oc-~~
23 ~~cupations.~~
24 ~~"(b) DEFINITIONS.—In this section:~~

1 ~~"(1) ELIGIBLE PARTNERSHIP.—The term 'eligi-~~
2 ~~ble partnership' means a partnership—~~
3 ~~"(A) between an institution of higher edu-~~
4 ~~cation and a local board (as such term is de-~~
5 ~~fined in section 101 of the Workforce Invest-~~
6 ~~ment Act of 1998); or~~
7 ~~"(B) if an institution of higher education~~
8 ~~is located within a State that does not operate~~
9 ~~local boards, between the institution of higher~~
10 ~~education and a State board (as such term is~~
11 ~~defined in section 101 of the Workforce Invest-~~
12 ~~ment Act of 1998).~~
13 ~~"(2) NONTRADITIONAL STUDENT.—The term~~
14 ~~'nontraditional student' means a student who—~~
15 ~~"(A) is independent, as defined in section~~
16 ~~480(d);~~
17 ~~"(B) attends an institution of higher edu-~~
18 ~~cation—~~
19 ~~"(i) on less than a full-time basis;~~
20 ~~"(ii) via evening, weekend, modular,~~
21 ~~or compressed courses; or~~
22 ~~"(iii) via distance learning methods;~~
23 ~~or~~
24 ~~"(C) has delayed enrollment at an institu-~~
25 ~~tion of higher education.~~

1 ~~"(3) INSTITUTION OF HIGHER EDUCATION.—~~
2 ~~The term 'institution of higher education' means an~~
3 ~~institution of higher education, as defined in section~~
4 ~~101(b), that offers a 1- or 2-year program of study~~
5 ~~leading to a degree or certificate.~~
6 ~~"(c) APPLICATION.—~~
7 ~~"(1) IN GENERAL.—Each eligible partnership~~
8 ~~that desires a grant under this section shall submit~~
9 ~~an application to the Secretary at such time, in such~~
10 ~~manner, and accompanied by such additional infor-~~
11 ~~mation as the Secretary may require.~~
12 ~~"(2) CONTENTS.—Each application submitted~~
13 ~~under paragraph (1) shall include a description of—~~
14 ~~"(A) how the eligible partnership, through~~
15 ~~the institution of higher education, will provide~~
16 ~~relevant job skill training for students to enter~~
17 ~~high-growth occupations or industries;~~
18 ~~"(B) local high-growth occupations or in-~~
19 ~~dustries; and~~
20 ~~"(C) the need for qualified workers to meet~~
21 ~~the local demand of high-growth occupations or~~
22 ~~industries.~~
23 ~~"(d) AWARD BASIS.—In awarding grants under this~~
24 ~~section, the Secretary shall—~~

1 ~~"(1) ensure an equitable distribution of grant~~
2 ~~funds under this section among urban and rural~~
3 ~~areas of the United States; and~~
4 ~~"(2) take into consideration the capability of~~
5 ~~the institution of higher education—~~
6 ~~"(A) to offer relevant, high quality instruc-~~
7 ~~tion and job skill training for students entering~~
8 ~~a high-growth occupation or industry;~~
9 ~~"(B) to involve the local business commu-~~
10 ~~nity and to place graduates in the community~~
11 ~~in employment in high-growth occupations or~~
12 ~~industries;~~
13 ~~"(C) to provide secondary students with~~
14 ~~dual-enrollment or concurrent enrollment op-~~
15 ~~tions;~~
16 ~~"(D) to serve nontraditional or low-income~~
17 ~~students, or adult or displaced workers; and~~
18 ~~"(E) to serve students from rural or re-~~
19 ~~mote communities.~~
20 ~~"(c) USE OF FUNDS.—Grant funds provided under~~
21 ~~this section may be used—~~
22 ~~"(1) to expand or create academic programs or~~
23 ~~programs of training that provide relevant job skill~~
24 ~~training for high-growth occupations or industries;~~

1 ~~"(2) to purchase equipment which will facilitate~~
2 ~~the development of academic programs or programs~~
3 ~~of training that provide training for high-growth oc-~~
4 ~~cupations or industries;~~
5 ~~"(3) to support outreach efforts that enable~~
6 ~~students to attend institutions of higher education~~
7 ~~with academic programs or programs of training fo-~~
8 ~~cused on high-growth occupations or industries;~~
9 ~~"(4) to expand or create programs for distance,~~
10 ~~evening, weekend, modular, or compressed learning~~
11 ~~opportunities that provide relevant job skill training~~
12 ~~in high-growth occupations or industries;~~
13 ~~"(5) to build partnerships with local businesses~~
14 ~~in high-growth occupations or industries;~~
15 ~~"(6) to support curriculum development related~~
16 ~~to entrepreneurial training; and~~
17 ~~"(7) for other uses that the Secretary deter-~~
18 ~~mines to be consistent with the intent of this section.~~
19 ~~"(f) REQUIREMENTS.—~~
20 ~~"(1) FISCAL AGENT.—For the purpose of this~~
21 ~~section, the institution of higher education in an eli-~~
22 ~~gible partnership shall serve as the fiscal agent and~~
23 ~~grant recipient for the eligible partnership.~~

1 ~~"(2) DURATION.—The Secretary shall award~~
2 ~~grants under this section for periods that may not~~
3 ~~exceed 5 years.~~
4 ~~"(3) SUPPLEMENT, NOT SUPPLANT.—Funds~~
5 ~~made available under this section shall be used to~~
6 ~~supplement and not supplant other Federal, State,~~
7 ~~and local funds available to the eligible partnership~~
8 ~~for carrying out the activities described in subsection~~
9 ~~(c).~~
10 ~~"(g) AUTHORIZATION OF APPROPRIATIONS.—There~~
11 ~~are authorized to be appropriated to carry out this part~~
12 ~~such sums as may be necessary for fiscal year 2006 and~~
13 ~~each of the 5 succeeding fiscal years.~~
14 **~~"PART D—GRANT PROGRAM TO INCREASE STU-~~**
15 **~~DENT RETENTION AND PROMOTE ARTICULA-~~**
16 **~~TION AGREEMENTS~~**
17 **~~"SEC. 841. GRANT PROGRAM TO INCREASE STUDENT RE-~~**
18 **~~TENTION AND PROMOTE ARTICULATION~~**
19 **~~AGREEMENTS.~~**
20 ~~"(a) AUTHORIZATION OF PROGRAM.—The Secretary~~
21 ~~shall award grants, on a competitive basis, to eligible insti-~~
22 ~~tutions to enable the institutions to—~~
23 ~~"(1) focus on increasing traditional and non-~~
24 ~~traditional student retention at such institutions;~~
25 ~~and~~

1 ~~"(2) promote articulation agreements among~~
2 ~~different institutions that will increase the likelihood~~
3 ~~of progression of students at such institutions to~~
4 ~~baccalaureate degrees.~~
5 ~~"(b) DEFINITION OF ELIGIBLE INSTITUTION.—In~~
6 ~~this section, the term 'eligible institution' means an insti-~~
7 ~~tution of higher education (as defined in section 101(a))~~
8 ~~where not less than 40 percent of such institution's stu-~~
9 ~~dent body receives financial aid under subpart 1 of part~~
10 ~~A of title IV.~~
11 ~~"(c) APPLICATION.—An eligible institution that de-~~
12 ~~sires a grant under this section shall submit an application~~
13 ~~to the Secretary at such time, in such manner, and con-~~
14 ~~taining such information as the Secretary may require, in-~~
15 ~~cluding the number of students proposed to be served and~~
16 ~~a description of the services that will be provided.~~
17 ~~"(d) MANDATORY ACTIVITIES.—An eligible institu-~~
18 ~~tion that receives a grant under this section shall use the~~
19 ~~grant funds to carry out each of the following:~~
20 ~~"(1) Offering counseling and advisement serv-~~
21 ~~ices to help students adapt to postsecondary edu-~~
22 ~~cation and select appropriate coursework.~~
23 ~~"(2) Making mentors available to students who~~
24 ~~are at risk for not completing a degree.~~

~~"(3) Providing detailed assistance to students who request help in understanding—~~

~~"(A) the options for financing their education, including information on grants, loans, and loan repayment programs;~~

~~"(B) the process of applying for financial assistance;~~

~~"(C) the outcome of their financial assistance application; and~~

~~"(D) any unanticipated problems related to financing their education that arise.~~

~~"(4) Offering tutoring to students at risk of dropping out of school with any course or subject.~~

~~"(5) Designing and implementing innovative ways to improve retention in and completion of courses, such as enrolling students in cohorts, providing counseling, or creating bridge programs that customize courses to the needs of special population students.~~

~~"(6) Conducting outreach activities so that all students know that these services are available and are aware of how to access the services.~~

~~"(7) Creating articulation agreements to promote smooth transition from two year to four year programs.~~

1 ~~"(8) Making services listed in paragraphs (1)~~
2 ~~through (5) available in students' native languages,~~
3 ~~if it is not English, if the percentage of students~~
4 ~~needing translation services in a specific language~~
5 ~~exceeds 5 percent.~~
6 ~~"(c) PERMISSIBLE ACTIVITIES.—An eligible institu-~~
7 ~~tion that receives a grant under this section may use grant~~
8 ~~funds to carry out any of the following activities:~~
9 ~~"(1) Designing innovative course schedules to~~
10 ~~meet the needs of working adults, such as online,~~
11 ~~modular, compressed, or other alternative methods.~~
12 ~~"(2) Offering childcare during the hours when~~
13 ~~students have class or are studying.~~
14 ~~"(3) Providing transportation assistance to stu-~~
15 ~~dents that helps such students manage their sched-~~
16 ~~ules.~~
17 ~~"(4) Partnering with local businesses to create~~
18 ~~flexible work-hour programs so that students can~~
19 ~~balance work and school.~~
20 ~~"(5) Offering time management or financial lit-~~
21 ~~eracy seminars to help students improve their man-~~
22 ~~agement skills.~~
23 ~~"(6) Improving professional development to~~
24 ~~align instruction with innovative program designs.~~

1 ~~"(7) Any other activities the Secretary believes~~
2 ~~will promote retention of students attending eligible~~
3 ~~institutions.~~
4 ~~"(f) TECHNICAL ASSISTANCE.—The Secretary may~~
5 ~~enter into a contract with a private entity to provide such~~
6 ~~technical assistance to grantees under this section as the~~
7 ~~Secretary determines appropriate.~~
8 ~~"(g) EVALUATION.—The Secretary shall conduct an~~
9 ~~evaluation of program impacts under the demonstration~~
10 ~~program, and shall disseminate to the public the findings~~
11 ~~from the evaluation and information on best practices.~~
12 ~~"(h) AUTHORIZATION OF APPROPRIATIONS.—There~~
13 ~~is authorized to be appropriated to carry out this and such~~
14 ~~sums as may be necessary for fiscal year 2006 and each~~
15 ~~of the 5 succeeding fiscal years.~~
16 **~~"PART E—AMERICAN HISTORY FOR FREEDOM~~**
17 **~~"SEC. 851. AMERICAN HISTORY FOR FREEDOM.~~**
18 ~~"(a) GRANTS AUTHORIZED.—The Secretary is au-~~
19 ~~thorized to award 3-year grants, on a competitive basis,~~
20 ~~to eligible institutions to establish or strengthen postsec-~~
21 ~~ondary academic programs or centers that promote and~~
22 ~~impart knowledge of—~~
23 ~~"(1) traditional American history;~~
24 ~~"(2) the history and nature of, and threats to,~~
25 ~~free institutions; or~~

1 ~~"(3) the history and achievements of Western~~
2 ~~civilization.~~
3 ~~"(b) DEFINITIONS.—In this section:~~
4 ~~"(1) ELIGIBLE INSTITUTION.—The term 'eligi-~~
5 ~~ble institution' means an institution of higher edu-~~
6 ~~cation as defined in section 101.~~
7 ~~"(2) FREE INSTITUTION.—The term 'free insti-~~
8 ~~tution' means an institution that emerged out of~~
9 ~~Western civilization, such as democracy, constitu-~~
10 ~~tional government, individual rights, market econom-~~
11 ~~ics, religious freedom and religious tolerance, and~~
12 ~~freedom of thought and inquiry.~~
13 ~~"(3) TRADITIONAL AMERICAN HISTORY.—The~~
14 ~~term 'traditional American history' means—~~
15 ~~"(A) the significant constitutional, polit-~~
16 ~~ical, intellectual, economic, and foreign policy~~
17 ~~trends and issues that have shaped the course~~
18 ~~of American history; and~~
19 ~~"(B) the key episodes, turning points, and~~
20 ~~leading figures involved in the constitutional,~~
21 ~~political, intellectual, diplomatic, and economic~~
22 ~~history of the United States.~~
23 ~~"(c) APPLICATION.—~~
24 ~~"(1) IN GENERAL.—Each eligible institution~~
25 ~~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 (c), 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 (c)(1)(B);~~

~~"(C) any activities to be undertaken pursuant to subsection (c)(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 (c); 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;~~

1 ~~"(iii) research;~~

2 ~~"(iv) support for faculty teaching in~~
3 ~~undergraduate and, if applicable, graduate~~
4 ~~programs;~~

5 ~~"(v) support for graduate and post-~~
6 ~~graduate fellowships, if applicable; or~~

7 ~~"(vi) teacher preparation initiatives~~
8 ~~that stress content mastery regarding tra-~~
9 ~~ditional American history, free institutions,~~
10 ~~or Western civilization; and~~

11 ~~"(B) conduct outreach activities to ensure~~
12 ~~that information about the activities funded~~
13 ~~under this part is widely disseminated—~~

14 ~~"(i) to undergraduate students (in-~~
15 ~~cluding students enrolled in teacher edu-~~
16 ~~cation programs, if applicable);~~

17 ~~"(ii) to graduate students (including~~
18 ~~students enrolled in teacher education pro-~~
19 ~~grams), if applicable;~~

20 ~~"(iii) to faculty;~~

21 ~~"(iv) to local educational agencies;~~
22 ~~and~~

23 ~~"(v) within the local community.~~

24 ~~"(2) ALLOWABLE USES OF FUNDS.—Funds~~
25 ~~provided under this part may be used to support—~~

1 ~~"(A) collaboration with entities such as—~~
2 ~~"(i) local educational agencies, for the~~
3 ~~purpose of providing elementary, middle~~
4 ~~and secondary school teachers an oppor-~~
5 ~~tunity to enhance their knowledge of tradi-~~
6 ~~tional American history, free institutions,~~
7 ~~or Western civilization; and~~
8 ~~"(ii) nonprofit organizations whose~~
9 ~~mission is consistent with the purpose of~~
10 ~~this part, such as academic organizations,~~
11 ~~museums, and libraries, for assistance in~~
12 ~~carrying out activities described under sub-~~
13 ~~section (a); and~~
14 ~~"(B) other activities that meet the pur-~~
15 ~~poses of this part.~~
16 ~~"(f) AUTHORIZATION OF APPROPRIATIONS.—For the~~
17 ~~purpose of carrying out this part, there are authorized to~~
18 ~~be appropriated such sums as may be necessary for fiscal~~
19 ~~year 2006 and each of the 5 succeeding fiscal years.~~
20 **~~"PART F—TEACH FOR AMERICA~~**
21 **~~"SEC. 861. TEACH FOR AMERICA.~~**
22 ~~"(a) DEFINITIONS.—~~
23 ~~"(1) IN GENERAL.—The terms 'highly quali-~~
24 ~~fied', 'local educational agency', and 'Secretary' have~~
25 ~~the meanings 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~~

1 ~~"(3) to serve a substantial number and percent-~~
2 ~~age of underserved students.~~
3 ~~"(d) AUTHORIZED ACTIVITIES.—~~
4 ~~"(1) IN GENERAL.—Grant funds provided~~
5 ~~under this section shall be used by the grantee to~~
6 ~~carry out each of the following activities:~~
7 ~~"(A) Recruiting and selecting teachers~~
8 ~~through a highly selective national process.~~
9 ~~"(B) Providing preservice training to the~~
10 ~~teachers through a rigorous summer institute~~
11 ~~that includes hands-on teaching experience and~~
12 ~~significant exposure to education coursework~~
13 ~~and theory.~~
14 ~~"(C) Placing the teachers in schools and~~
15 ~~positions designated by partner local edu-~~
16 ~~cational agencies as high need placements serv-~~
17 ~~ing underserved students.~~
18 ~~"(D) Providing ongoing professional devel-~~
19 ~~opment activities for the teachers' first 2 years~~
20 ~~in the classroom, including regular classroom~~
21 ~~observations and feedback, and ongoing train-~~
22 ~~ing and support.~~
23 ~~"(2) LIMITATION.—The grantee shall use all~~
24 ~~grant funds received under this section to support~~
25 ~~activities related directly to the recruitment, selec-~~

~~tion, training, and support of teachers as described in subsection (a).~~

~~"(c) 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.~~

1 ~~"(B) ACHIEVEMENT GAINS COMPARED.—~~
2 ~~The study shall compare, within the same~~
3 ~~schools, the achievement gains made by stu-~~
4 ~~dents taught by teachers who are assisted~~
5 ~~under this section with the achievement gains~~
6 ~~made by students taught by teachers who are~~
7 ~~not assisted under this section.~~
8 ~~"(3) REQUIREMENTS.—The Secretary shall~~
9 ~~provide for such a study not less than once every 3~~
10 ~~years, and each such study shall include multiple~~
11 ~~placement sites and multiple schools within place-~~
12 ~~ment sites.~~
13 ~~"(4) PEER REVIEW STANDARDS.—Each such~~
14 ~~study shall meet the peer review standards of the~~
15 ~~education research community.~~
16 ~~"(f) AUTHORIZATION OF APPROPRIATIONS.—~~
17 ~~"(1) IN GENERAL.—There are authorized to be~~
18 ~~appropriated to carry out this section such sums as~~
19 ~~may be necessary for fiscal year 2006 and each of~~
20 ~~the 5 succeeding fiscal years.~~
21 ~~"(2) LIMITATION.—The grantee shall not use~~
22 ~~more than 25 percent of Federal funds from any~~
23 ~~source for administrative costs.~~

1 **~~"PART G—PATSY T. MINK FELLOWSHIP PROGRAM~~**

2 **~~"SEC. 1. PATSY T. MINK FELLOWSHIP PROGRAM.~~**

3 ~~"(a) PURPOSE.—~~

4 ~~"(1) IN GENERAL.—It is the purpose of this~~

5 ~~section to provide, through eligible institutions, a~~

6 ~~program of fellowship awards to assist highly quali-~~

7 ~~fied minorities and women to acquire the doctoral~~

8 ~~degree, or highest possible degree available, in aca-~~

9 ~~demic areas in which such individuals are underrep-~~

10 ~~resented for the purpose of enabling such individuals~~

11 ~~to enter the higher education professoriate.~~

12 ~~"(2) DESIGNATION.—Each recipient of a fellow-~~

13 ~~ship award from an eligible institution receiving a~~

14 ~~grant under this section shall be known as a 'Patsy~~

15 ~~T. Mink Graduate Fellow'.~~

16 ~~"(b) DEFINITIONS.—In this section, the term 'eligible~~

17 ~~institution' means an institution of higher education, or~~

18 ~~a consortium of such institutions, that offers a program~~

19 ~~of postbaccalaureate study leading to a graduate degree.~~

20 ~~"(c) PROGRAM AUTHORIZED.—~~

21 ~~"(1) GRANTS BY SECRETARY.—~~

22 ~~"(A) IN GENERAL.—The Secretary shall~~

23 ~~award grants to eligible institutions to enable~~

24 ~~such institutions to make fellowship awards to~~

25 ~~individuals in accordance with the provisions of~~

26 ~~this section.~~

1 ~~"(B) PRIORITY CONSIDERATION.—In~~
2 ~~awarding grants under this section, the Sec-~~
3 ~~retary shall consider the eligible institution's~~
4 ~~prior experience in producing doctoral degree,~~
5 ~~or highest possible degree available, holders who~~
6 ~~are minorities and women, and shall give pri-~~
7 ~~ority consideration in making grants under this~~
8 ~~section to those eligible institutions with a dem-~~
9 ~~onstrated record of producing minorities and~~
10 ~~women who have earned such degrees.~~
11 ~~"(2) APPLICATIONS.—~~
12 ~~"(A) IN GENERAL.—An eligible institution~~
13 ~~that desires a grant under this section shall~~
14 ~~submit an application to the Secretary at such~~
15 ~~time, in such manner, and containing such in-~~
16 ~~formation as the Secretary may require.~~
17 ~~"(B) APPLICATIONS MADE ON BEHALF.—~~
18 ~~"(i) IN GENERAL.—The following en-~~
19 ~~tities may submit an application on behalf~~
20 ~~of an eligible institution:~~
21 ~~"(I) A graduate school or depart-~~
22 ~~ment of such institution.~~
23 ~~"(II) A graduate school or de-~~
24 ~~partment of such institution in col-~~

~~laboration 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;~~

1 ~~"(ii) the current and projected need~~
2 ~~for highly trained individuals in all areas~~
3 ~~of the higher education professoriate; and~~
4 ~~"(iii) the present and projected need~~
5 ~~for highly trained individuals in academic~~
6 ~~career fields in which minorities and~~
7 ~~women are underrepresented in the higher~~
8 ~~education professoriate; and~~
9 ~~"(B) consider the need to prepare a large~~
10 ~~number of minorities and women generally in~~
11 ~~academic career fields of high national priority,~~
12 ~~especially in areas in which such individuals are~~
13 ~~traditionally underrepresented in college and~~
14 ~~university faculties, such as mathematics,~~
15 ~~science, technology, and engineering.~~
16 ~~"(4) DISTRIBUTION AND AMOUNTS OF~~
17 ~~GRANTS.—~~
18 ~~"(A) EQUITABLE DISTRIBUTION.—In~~
19 ~~awarding grants under this section, the Sec-~~
20 ~~retary shall, to the maximum extent feasible,~~
21 ~~ensure an equitable geographic distribution of~~
22 ~~awards and an equitable distribution among~~
23 ~~public and independent eligible institutions that~~
24 ~~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.~~

1 ~~"(E) REALLOTMENT.—If the Secretary de-~~
2 ~~termines that an eligible institution awarded a~~
3 ~~grant under this section is unable to use all of~~
4 ~~the grant funds awarded to the institution, the~~
5 ~~Secretary shall reallot, on such date during~~
6 ~~each fiscal year as the Secretary may fix, the~~
7 ~~unused funds to other eligible institutions that~~
8 ~~demonstrate that such institutions can use any~~
9 ~~reallocated grant funds to make fellowship~~
10 ~~awards to individuals under this section.~~
11 ~~"(5) INSTITUTIONAL ALLOWANCE.—~~
12 ~~"(A) IN GENERAL.—~~
13 ~~"(i) NUMBER OF ALLOWANCES.—In~~
14 ~~awarding grants under this section, the~~
15 ~~Secretary shall pay to each eligible institu-~~
16 ~~tion awarded a grant, for each individual~~
17 ~~awarded a fellowship by such institution~~
18 ~~under this section, an institutional allow-~~
19 ~~ance.~~
20 ~~"(ii) AMOUNT.—Except as provided in~~
21 ~~paragraph (3), an institutional allowance~~
22 ~~shall be in an amount equal to, for aca-~~
23 ~~demic year 2006–2007 and succeeding aca-~~
24 ~~demic years, the amount of institutional al-~~
25 ~~lowance 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—~~

1 ~~"(i) inequitable and represent an ex-~~
2 ~~traordinary hardship; or~~
3 ~~"(ii) deemed impossible because the~~
4 ~~individual is permanently and totally dis-~~
5 ~~abled at the time of the waiver request.~~
6 ~~"(4) AMOUNT OF FELLOWSHIP AWARDS.—Fel-~~
7 ~~lowship awards under this section shall consist of a~~
8 ~~stipend in an amount equal to the level of support~~
9 ~~provided to the National Science Foundation grad-~~
10 ~~uate fellows, except that such stipend shall be ad-~~
11 ~~justed as necessary so as not to exceed the fellow's~~
12 ~~tuition and fees or demonstrated need (as deter-~~
13 ~~mined by the institution of higher education where~~
14 ~~the graduate student is enrolled), whichever is great-~~
15 ~~er.~~
16 ~~"(5) ACADEMIC PROGRESS REQUIRED.—An in-~~
17 ~~dividual student shall not be eligible to receive a fel-~~
18 ~~lowship award—~~
19 ~~"(A) except during periods in which such~~
20 ~~student is enrolled, and such student is main-~~
21 ~~taining satisfactory academic progress in, and~~
22 ~~devoting essentially full time to, study or re-~~
23 ~~search in the pursuit of the degree for which~~
24 ~~the fellowship support was awarded; and~~

1 ~~"(B) if the student is engaged in gainful~~
2 ~~employment, other than part-time employment~~
3 ~~in teaching, research, or similar activity deter-~~
4 ~~mined by the eligible institution to be consistent~~
5 ~~with and supportive of the student's progress~~
6 ~~toward the appropriate degree.~~
7 ~~"(c) RULE OF CONSTRUCTION.—Nothing in this sec-~~
8 ~~tion shall be construed to require an eligible institution~~
9 ~~that receives a grant under this section—~~
10 ~~"(1) to grant a preference or to differentially~~
11 ~~treat any applicant for a faculty position as a result~~
12 ~~of the institution's participation in the program~~
13 ~~under this section; or~~
14 ~~"(2) to hire a Patsy T. Mink Fellow who com-~~
15 ~~pletes this program and seeks employment at such~~
16 ~~institution.~~
17 ~~"(f) AUTHORIZATION OF APPROPRIATIONS.—There~~
18 ~~is authorized to be appropriated to carry out this section~~
19 ~~such sums as may be necessary for fiscal year 2006 for~~
20 ~~each of the 5 succeeding fiscal years.~~

~~"PART H—STUDY ON COLLEGE ENROLLMENT BY SECONDARY SCHOOLS~~

~~"SEC. 1. STUDY ON COLLEGE ENROLLMENT BY SECONDARY SCHOOLS.~~

~~"The Secretary shall contract with a not-for-profit organization, with demonstrated expertise in increasing college enrollment rates in low-income communities nationwide, to make publicly available year-to-year college enrollment rate trends by secondary schools, in full compliance with the Family Educational Rights and Privacy Act of 1974 (FERPA).".~~

~~TITLE IX—AMENDMENTS TO OTHER LAWS~~

~~PART A—EDUCATION OF THE DEAF ACT OF 1986~~

~~SEC. 901. LAURENT CLERC NATIONAL DEAF EDUCATION CENTER.~~

~~Section 104 of the Education of the Deaf Act of 1986 (20 U.S.C. 4304) is amended—~~

~~(1) by striking the heading and inserting "**LAURENT CLERC NATIONAL DEAF EDUCATION CENTER**";~~

~~(2) in subsection (a)(1)(A), by inserting "the Laurent Clere National Deaf Education Center (referred to in this section as the 'Clere Center') to carry out" after "maintain and operate"; and~~

~~(3) in subsection (b)—~~

~~(A) in the matter preceding subparagraph (A) of paragraph (1), by striking "elementary and secondary education programs" and inserting "Clere Center";~~

~~(B) in paragraph (2), by striking "elementary and secondary education programs" and inserting "Clere Center"; and~~

~~(C) by adding at the end the following:~~

~~"(5) The University, for purposes of the elementary and secondary education programs carried out at the Clere 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 2008–2009 academic year;~~

~~"(B) annually determine whether such programs at the Clere Center are making adequate yearly progress, as determined according to the defi-~~

~~nition 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).".~~

~~SEC. 902. AGREEMENT WITH GALLAUDET UNIVERSITY.~~

~~Section 105(b)(4) of the Education of the Deaf Act of 1986 (20 U.S.C. 4305(b)(4)) is amended—~~

~~(1) by striking "the Act of March 3, 1931 (40 U.S.C. 276a—276a–5) commonly referred to as the Davis-Bacon Act" and inserting "subchapter IV of chapter 31 of title 40, United States Code, commonly referred to as the Davis-Bacon Act"; and~~

~~(2) by striking "section 2 of the Act of June 13, 1934 (40 U.S.C. 276c)" and inserting "section 3145 of title 40, United States Code".~~

~~SEC. 903. AGREEMENT FOR THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.~~

~~Section 112 of the Education of the Deaf Act of 1986 (20 U.S.C. 4332) is amended—~~

~~(1) in subsection (a)—~~

~~(A) in paragraph (1)—~~

~~(i) in the first sentence—~~

~~(I) by striking "an institution of higher education" and inserting "the Rochester Institute of Technology, Rochester, New York"; and~~

~~(II) by striking "of a" and inserting "of the"; and~~

~~(ii) by striking the second sentence;~~

~~(B) by redesignating paragraph (2) as paragraph (3); and~~

~~(C) by inserting after paragraph (1) the following:~~

~~"(2) 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."; and~~

~~(2) in subsection (b)—~~

~~(A) in paragraph (3), by striking "Committee on Education and Labor of the House of~~

~~Representatives and to the Committee on Labor and Human Resources of the Senate'' and inserting ''Committee on Education and the Workforce of the House of Representatives and to the Committee on Health, Education, Labor, and Pensions of the Senate''; and~~

~~(B) in paragraph (5)—~~

~~(i) by striking ''the Act of March 3, 1931 (40 U.S.C. 276a—276a–5) commonly referred to as the Davis-Bacon Act'' and inserting ''subchapter IV of chapter 31 of title 40, United States Code, commonly referred to as the Davis-Bacon Act''; and~~

~~(ii) by striking ''section 2 of the Act of June 13, 1934 (40 U.S.C. 276c)'' and inserting ''section 3145 of title 40, United States Code''.~~

~~SEC. 904. CULTURAL EXPERIENCES GRANTS.~~

~~(a) CULTURAL EXPERIENCES GRANTS.—Title I of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.) is amended by adding at the end the following:~~

1 **~~"PART C—OTHER PROGRAMS~~**

2 **~~"SEC. 121. CULTURAL EXPERIENCES GRANTS.~~**

3 ~~"(a) IN GENERAL.—The Secretary shall, on a com-~~
4 ~~petitive basis, make grants to, and enter into contracts~~
5 ~~and cooperative agreements with, eligible entities to sup-~~
6 ~~port the activities described in subsection (b).~~

7 ~~"(b) ACTIVITIES.—In carrying out this section, the~~
8 ~~Secretary shall support activities providing cultural experi-~~
9 ~~ences, through appropriate nonprofit organizations with a~~
10 ~~demonstrated proficiency in providing such activities,~~
11 ~~that—~~

12 ~~"(1) enrich the lives of deaf and hard-of-hear-~~
13 ~~ing children and adults;~~

14 ~~"(2) increase public awareness and under-~~
15 ~~standing of deafness and of the artistic and intellec-~~
16 ~~tual achievements of deaf and hard-of-hearing per-~~
17 ~~sons; or~~

18 ~~"(3) promote the integration of hearing, deaf,~~
19 ~~and hard-of-hearing persons through shared cul-~~
20 ~~tural, educational, and social experiences.~~

21 ~~"(c) APPLICATIONS.—An eligible entity that desires~~
22 ~~to receive a grant, or enter into a contract or cooperative~~
23 ~~agreement, under this section shall submit an application~~
24 ~~to the Secretary at such time, in such manner, and con-~~
25 ~~taining such information as the Secretary may require.~~

1 ~~"(d) AUTHORIZATION OF APPROPRIATIONS.—There~~
2 ~~are authorized to be appropriated to carry out this section~~
3 ~~such sums as may be necessary for fiscal year 2006 and~~
4 ~~each of the 5 succeeding fiscal years.".~~
5 ~~(b) CONFORMING AMENDMENT.—The title heading~~
6 ~~of title I of the Education of the Deaf Act of 1986 (20~~
7 ~~U.S.C. 4301 et seq.) is amended by adding at the end~~
8 ~~"; OTHER PROGRAMS".~~
9 **~~SEC. 905. AUDIT.~~**
10 ~~Section 203 of the Education of the Deaf Act of 1986~~
11 ~~(20 U.S.C. 4353) is amended—~~
12 ~~(1) in subsection (b)—~~
13 ~~(A) in paragraph (1), by striking the sec-~~
14 ~~ond sentence and inserting the following: "The~~
15 ~~institution of higher education that the Sec-~~
16 ~~retary has an agreement with under section 112~~
17 ~~shall have an annual independent financial and~~
18 ~~compliance audit made of NTID programs and~~
19 ~~activities. The audit shall follow the cycle of the~~
20 ~~Federal fiscal year.";~~
21 ~~(B) in paragraph (2), by striking "sec-~~
22 ~~tions" and all that follows through the period~~
23 ~~and inserting "sections 102(b), 105(b)(4),~~
24 ~~112(b)(5), 203(c), 207(b)(2), subsections (c)~~

~~through (f) of section 207, and subsections (b) and (c) of section 209.''; and~~

~~(C) in paragraph (3), by inserting ''and the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate'' after ''Secretary''; and~~

~~(2) in subsection (c)(2)(A), by striking ''Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate'' and inserting ''Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate''.~~

~~SEC. 906. REPORTS.~~

~~Section 204 of the Education of the Deaf Act of 1986 (20 U.S.C. 4354) is amended—~~

~~(1) in the matter preceding paragraph (1), by striking ''Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate'' and inserting ''Committee on Education and the Workforce of the House of Representatives and the Committee~~

~~on Health, Education, Labor, and Pensions of the Senate'';~~

~~(2) in paragraph (1), by striking ''preparatory,'';~~

~~(3) in paragraph (2)(C), by striking ''upon graduation/completion'' and inserting ''on the date that is 1 year after the date of graduation or completion''; and~~

~~(4) in paragraph (3)(B), by striking ''of the institution of higher education'' and all that follows through the period and inserting ''of NTID programs and activities.''.~~

~~SEC. 907. MONITORING, EVALUATION, AND REPORTING.~~

~~Section 205 of the Education of the Deaf Act of 1986 (20 U.S.C. 4355) is amended—~~

~~(1) in subsection (b), by striking ''The Secretary, as part of the annual report required under section 426 of the Department of Education Organization Act, shall include a description of'' and inserting ''The Secretary shall annually transmit information to Congress on''; and~~

~~(2) in subsection (c), by striking ''fiscal years 1998 through 2003'' and inserting ''fiscal years 2006 through 2010''.~~

~~SEC. 908. LIAISON FOR EDUCATIONAL PROGRAMS.~~

~~Section 206(a) of the Education of the Deaf Act of 1986 (20 U.S.C. 4356(a)) is amended by striking "Not later than 30 days after the date of enactment of this Act, the" and inserting "The".~~

~~SEC. 909. FEDERAL ENDOWMENT PROGRAMS FOR GALLAUDET UNIVERSITY AND THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.~~

~~Section 207(h) of the Education of the Deaf Act of 1986 (20 U.S.C. 4357(h)) is amended by striking "fiscal years 1998 through 2003" each place it appears and inserting "fiscal years 2006 through 2010".~~

~~SEC. 910. OVERSIGHT AND EFFECT OF AGREEMENTS.~~

~~Section 208(a) of the Education of the Deaf Act of 1986 (20 U.S.C. 4359(a)) is amended by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate".~~

~~SEC. 911. INTERNATIONAL STUDENTS.~~

~~Section 209 of the Education of the Deaf Act of 1986 (20 U.S.C. 4359a) is amended—~~

~~(1) in subsection (a)—~~

~~(A) by striking "preparatory, undergraduate," and inserting "undergraduate";~~

~~(B) by striking "Effective with" and inserting the following:~~

~~"(1) IN GENERAL.—Except as provided in paragraph (2), effective with"; and~~

~~(C) by adding at the end the following:~~

~~"(2) DISTANCE LEARNING.—International students who participate in distance learning courses that are at NTID or the University and who are residing outside of the United States shall—~~

~~"(A) not be counted as international students for purposes of the cap on international students under paragraph (1), except that in any school year no United States citizen who applies to participate in distance learning courses that are at the University or NTID shall be denied participation in such courses because of the participation of an international student in such courses; and~~

~~"(B) not be charged a tuition surcharge, as described in subsection (b)."; and~~

~~(2) by striking subsections (b), (c), and (d), and inserting the following:~~

1 ~~"(b) TUITION SURCHARGE.—Except as provided in~~
2 ~~subsections (a)(2)(B) and (c), the tuition for postsec-~~
3 ~~ondary international students enrolled in the University~~
4 ~~(including undergraduate and graduate students) or~~
5 ~~NTID shall include, for academic year 2007–2008 and~~
6 ~~any succeeding academic year, a surcharge of—~~
7 ~~"(1) 100 percent for a postsecondary inter-~~
8 ~~national student from a non-developing country; and~~
9 ~~"(2) 50 percent for a postsecondary inter-~~
10 ~~national student from a developing country.~~
11 ~~"(c) REDUCTION OF SURCHARGE.—~~
12 ~~"(1) IN GENERAL.—Beginning with the aca-~~
13 ~~demic year 2007–2008, the University or NTID may~~
14 ~~reduce the surcharge—~~
15 ~~"(A) under subsection (b)(1) to 50 percent~~
16 ~~if—~~
17 ~~"(i) a student described under sub-~~
18 ~~section (b)(1) demonstrates need; and~~
19 ~~"(ii) such student has made a good~~
20 ~~faith effort to secure aid through such stu-~~
21 ~~dent's government or other sources; and~~
22 ~~"(B) under subsection (b)(2) to 25 percent~~
23 ~~if—~~
24 ~~"(i) a student described under sub-~~
25 ~~section (b)(2) demonstrates need; and~~

1 ~~"(ii) such student has made a good~~
2 ~~faith effort to secure aid through such stu-~~
3 ~~dent's government or other sources.~~
4 ~~"(2) DEVELOPMENT OF SLIDING SCALE.—The~~
5 ~~University and NTID shall develop a sliding scale~~
6 ~~model that—~~
7 ~~"(A) will be used to determine the amount~~
8 ~~of a tuition surcharge reduction pursuant to~~
9 ~~paragraph (1); and~~
10 ~~"(B) shall be approved by the Secretary.~~
11 ~~"(d) DEFINITION.—In this section, the term 'devel-~~
12 ~~oping country' means a country with a per-capita income~~
13 ~~of not more than $4,825, measured in 1999 United States~~
14 ~~dollars, as adjusted by the Secretary to reflect inflation~~
15 ~~since 1999.".~~
16 **~~SEC. 912. RESEARCH PRIORITIES.~~**
17 ~~Section 210(b) of the Education of the Deaf Act of~~
18 ~~1986 (20 U.S.C. 4359b(b)) is amended by striking "Com-~~
19 ~~mittee on Labor and Human Resources of the Senate"~~
20 ~~and inserting "Committee on Health, Education, Labor,~~
21 ~~and Pensions of the Senate".~~
22 **~~SEC. 913. AUTHORIZATION OF APPROPRIATIONS.~~**
23 ~~Section 212 of the Education of the Deaf Act of 1986~~
24 ~~(20 U.S.C. 4360a) is amended—~~

~~(1) in subsection (a), in the matter preceding paragraph (1), by striking "fiscal years 1998 through 2003" and inserting "fiscal years 2006 through 2011"; and~~

~~(2) in subsection (b), by striking "fiscal years 1998 through 2003" and inserting "fiscal years 2006 through 2011".~~

~~PART B—UNITED STATES INSTITUTE OF PEACE ACT~~

~~SEC. 921. UNITED STATES INSTITUTE OF PEACE ACT.~~

~~(a) POWERS AND DUTIES.—Section 1705(b)(3) of the United States Institute of Peace Act (22 U.S.C. 4604(b)(3)) is amended by striking "the Arms Control and Disarmament Agency,".~~

~~(b) BOARD OF DIRECTORS.—Section 1706 of the United States Institute of Peace Act (22 U.S.C. 4605) is amended—~~

~~(1) by striking "(b)(5)" each place the term appears and inserting "(b)(4)"; and~~

~~(2) in subsection (c), by adding at the end the following:~~

~~"(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.".~~

(c) FUNDING.—Section 1710 of the United States Institute of Peace Act (22 U.S.C. 4609) is amended by adding at the end the following:

"(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.".

PART C—THE HIGHER EDUCATION AMENDMENTS OF 1998

SEC. 931. REPEALS.

The following provisions of title VIII of the Higher Education Amendments of 1998 (Public Law 105–244) are repealed:

(1) Part A.

(2) Part C (20 U.S.C. 1070 note).

(3) Part F (20 U.S.C. 1862 note).

(4) Part J.

(5) Section 861.

(6) Section 863.

SEC. 932. GRANTS TO STATES FOR WORKPLACE AND COMMUNITY TRANSITION TRAINING FOR INCARCERATED YOUTH OFFENDERS.

Section 821(b) of the Higher Education Amendment of 1988 is amended by striking "25" and inserting "35".

~~PART D—INDIAN EDUCATION~~

~~Subpart 1—Tribal Colleges and Universities~~

~~SEC. 941. TRIBALLY CONTROLLED COLLEGE AND UNIVERSITY ASSISTANCE.~~

~~(a) CLARIFICATION OF THE DEFINITION OF NATIONAL INDIAN ORGANIZATION.—Section 2(a)(6) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(a)(6)) is amended by striking "in the field of Indian education" and inserting "in the fields of tribally controlled colleges and universities and Indian higher education".~~

~~(b) INDIAN STUDENT COUNT.—Section 2(a) of the Tribally Controlled College or University Assistance Act (25 U.S.C. 1801(a)) is amended—~~

~~(1) by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively; and~~

~~(2) by inserting after paragraph (6) the following:~~

~~"(7) 'Indian student' means a student who is—~~

~~"(A) a member of an Indian tribe; or~~

~~"(B) a biological child of a member of an Indian tribe, living or deceased;".~~

~~(c) CONTINUING EDUCATION.—Section 2(b) of the Tribally Controlled College or University Assistance Act (25 U.S.C. 1801(b)) is amended by striking paragraph (5) and inserting the following:~~

1 ~~"(5) DETERMINATION OF CREDITS.—Eligible~~
2 ~~credits earned in a continuing education program—~~
3 ~~"(A) shall be determined as 1 credit for~~
4 ~~every 10 contact hours in the case of an institu-~~
5 ~~tion on a quarter system, or 15 contact hours~~
6 ~~in the case of an institution on a semester sys-~~
7 ~~tem, of participation in an organized continuing~~
8 ~~education experience under responsible sponsor-~~
9 ~~ship, capable direction, and qualified instruc-~~
10 ~~tion, as described in the criteria established by~~
11 ~~the International Association for Continuing~~
12 ~~Education and Training; and~~
13 ~~"(B) shall be limited to 10 percent of the~~
14 ~~Indian student count of a tribally controlled col-~~
15 ~~lege or university.".~~
16 ~~(d) ACCREDITATION REQUIREMENT.—Section 103 of~~
17 ~~the Tribally Controlled College or University Assistance~~
18 ~~Act (25 U.S.C. 1804) is amended—~~
19 ~~(1) in paragraph (2), by striking "and" at the~~
20 ~~end;~~
21 ~~(2) in paragraph (3), by striking the period at~~
22 ~~the end and inserting "; and"; and~~
23 ~~(3) by inserting after paragraph (3), the fol-~~
24 ~~lowing:~~

1 ~~"(4)(A) is accredited by a nationally recognized~~
2 ~~accrediting agency or association determined by the~~
3 ~~Secretary of Education to be a reliable authority~~
4 ~~with regard to the quality of training offered; or~~
5 ~~"(B) is, according to such an agency or associa-~~
6 ~~tion, making reasonable progress toward accredita-~~
7 ~~tion.".~~
8 ~~(e) TECHNICAL ASSISTANCE CONTRACT AWARDS.—~~
9 ~~Section 105 of the Tribally Controlled College or Univer-~~
10 ~~sity Assistance Act (25 U.S.C. 1805) is amended in the~~
11 ~~second sentence by striking "In the awarding of contracts~~
12 ~~for technical assistance, preference shall be given" and in-~~
13 ~~serting "The Secretary shall direct that contracts for tech-~~
14 ~~nical assistance be awarded".~~
15 ~~(f) TITLE I REAUTHORIZATION.—Section 110(a) of~~
16 ~~the Tribally Controlled College or University Assistance~~
17 ~~Act of 1978 (25 U.S.C. 1810(a)) is amended—~~
18 ~~(1) in paragraphs (1), (2), (3), and (4), by~~
19 ~~striking "1999" and inserting "2006";~~
20 ~~(2) in paragraphs (1), (2), and (3), by striking~~
21 ~~"4 succeeding" and inserting "5 succeeding";~~
22 ~~(3) in paragraph (2), by striking~~
23 ~~"$40,000,000" and inserting "such sums as may be~~
24 ~~necessary";~~

~~(4) in paragraph (3), by striking "$10,000,000" and inserting "such sums as may be necessary"; and~~

~~(5) in paragraph (4), by striking "succeeding 4" and inserting "5 succeeding".~~

~~(g) TITLE III REAUTHORIZATION.—Section 306(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1836(a)) is amended—~~

~~(1) by striking "1999" and inserting "2006"; and~~

~~(2) by striking "4 succeeding" and inserting "5 succeeding".~~

~~(h) TITLE IV REAUTHORIZATION.—Section 403 of the Tribal Economic Development and Technology Related Education Assistance Act of 1990 (25 U.S.C. 1852) is amended—~~

~~(1) by striking "$2,000,000 for fiscal year 1999" and inserting "such sums as may be necessary for fiscal year 2006"; and~~

~~(2) by striking "4 succeeding" and inserting "5 succeeding".~~

~~Subpart 2—Navajo Higher Education~~

~~SEC. 945. SHORT TITLE.~~

~~This subpart may be cited as the "Navajo Nation Higher Education Act of 2005".~~

SEC. 946. REAUTHORIZATION OF THE NAVAJO COMMUNITY COLLEGE ACT.

Section 5(a)(1) of the Navajo Community College Act (25 U.S.C. 640c–1(a)(1)) is amended by striking "$2,000,000" and all that follows through "years" and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years".

TITLE X—RECONCILIATION

SEC. 1001. PROVISIONAL GRANT ASSISTANCE PROGRAM.

(a) AMENDMENT.—Subpart 1 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a) is amended by adding at the end the following:

"SEC. 401A. PROVISIONAL GRANT ASSISTANCE PROGRAM.

"(a) GRANTS.—

"(1) IN GENERAL.—From amounts appropriated under subsection (c) for a fiscal year and subject to subsection (b), the Secretary shall award grants to students (which shall be known as 'ProGAP awards') in the same manner as the Secretary awards grants to students under section 401, except that the Secretary shall determine the amount of a grant under this section for an academic year by—

"(A) determining the total number of students eligible for a grant under section 401 for the academic year, and the amount that each of

~~those students are eligible to receive under section 401 calculated on the basis of the maximum grant level specified in the appropriate Appropriation Act for section 401 for the academic year;~~

~~"(B) determining the amount each of those students would receive under section 401 if the grant award under section 401 were calculated on the basis of the sum of the total amount appropriated to carry out section 401 and the total amount appropriated to carry out this section for the academic year; and~~

~~"(C) awarding to each of those students the amount by which the amount determined under subparagraph (B) exceeds the amount determined under subparagraph (A).~~

~~"(2) STUDENTS WITH THE GREATEST NEED.—The Secretary shall ensure grants are awarded under this section to students with the greatest need as determined under paragraph (1).~~

~~"(b) COST OF ATTENDANCE LIMITATION.—A grant awarded under this section for an academic year shall be awarded in an amount that does not exceed—~~

~~"(1) the student's cost of attendance for the academic year; less~~

1 ~~"(2) an amount equal to the expected family~~
2 ~~contribution for that student for the academic year.~~
3 ~~"(c) AUTHORIZATION AND APPROPRIATION OF~~
4 ~~FUNDS.—There are authorized to be appropriated, and~~
5 ~~there are appropriated, out of any money in the Treasury~~
6 ~~not otherwise appropriated, for the Department of Edu-~~
7 ~~cation to carry out this section and section 401B—~~
8 ~~"(1) $1,165,000,000 for fiscal year 2006;~~
9 ~~"(2) $1,171,000,000 for fiscal year 2007;~~
10 ~~"(3) $1,171,000,000 for fiscal year 2008;~~
11 ~~"(4) $1,172,000,000 for fiscal year 2009; and~~
12 ~~"(5) $1,647,000,000 for fiscal year 2010.~~
13 ~~"(d) SUNSET PROVISION.—This section shall be ef-~~
14 ~~fective with respect to amounts appropriated for fiscal~~
15 ~~year 2006 and each of the 4 succeeding fiscal years.".~~
16 ~~(b) SENSE OF THE SENATE.—It is the sense of the~~
17 ~~Senate that the amounts appropriated to carry out sec-~~
18 ~~tions 401A and 401B of the Higher Education Act of~~
19 ~~1965 are the result of the savings generated by the~~
20 ~~amendments made by this title.~~
21 **~~SEC. 1002. NATIONAL SMART GRANTS.~~**
22 ~~Subpart 1 of part A of title IV of the Higher Edu-~~
23 ~~cation Act of 1965 (20 U.S.C. 1070a) is further amended~~
24 ~~by adding after section 401A (as added by section 1001):~~

1 **~~"SEC. 401B. NATIONAL SMART GRANTS.~~**

2 ~~"(a) GRANTS AUTHORIZED.—From amounts appro-~~
3 ~~priated under section 401A(c) for a fiscal year, the Sec-~~
4 ~~retary shall award grants to eligible students to assist the~~
5 ~~eligible students in paying their college education ex-~~
6 ~~penses.~~

7 ~~"(b) DESIGNATION.—A grant under this section shall~~
8 ~~be known as a 'National Science and Mathematics Access~~
9 ~~to Retain Talent Grant' or a 'National SMART Grant'.~~

10 ~~"(c) DEFINITION OF ELIGIBLE STUDENT.—In this~~
11 ~~section the term 'eligible student' means a student who,~~
12 ~~for the academic year for which the determination is~~
13 ~~made—~~

14 ~~"(1) is eligible for a Federal Pell Grant; and~~

15 ~~"(2) is in the student's 3rd or 4th year at an~~
16 ~~institution of higher education majoring in—~~

17 ~~"(A) mathematics, science, technology, or~~
18 ~~engineering (as determined by the Secretary~~
19 ~~pursuant to regulations); or~~

20 ~~"(B) a foreign language that the Sec-~~
21 ~~retary, in consultation with the Director of Na-~~
22 ~~tional Intelligence, determines is critical to the~~
23 ~~national security of the United States.~~

24 ~~"(d) GRANT AMOUNT.—The Secretary shall award a~~
25 ~~grant under this section in an amount that does not exceed~~
26 ~~$1,500 for an academic year.~~

1 ~~"(e) FUNDING RULE.—The Secretary shall use not~~
2 ~~more than $200,000,000 of the funds appropriated under~~
3 ~~section 401A(c) for each of the fiscal years 2006 through~~
4 ~~2010 to carry out this section.~~
5 ~~"(f) UNOBLIGATED FUNDS AVAILABLE FOR FED-~~
6 ~~ERAL GRANT ASSISTANCE.—The Secretary shall make~~
7 ~~any funds made available under subsection (c) for a fiscal~~
8 ~~year that remain unobligated at the end of the fiscal year~~
9 ~~available to carry out section 401A.~~
10 ~~"(g) MATCHING ASSISTANCE.—An institution of~~
11 ~~higher education may, from funds provided from private~~
12 ~~sources, provide additional assistance to a student receiv-~~
13 ~~ing a grant under this section, except that the total assist-~~
14 ~~ance provided under this title to a student shall not exceed~~
15 ~~the student's cost of attendance.".~~
16 ~~**SEC. 1003. LOAN LIMITS.**~~
17 ~~(a) FEDERAL INSURANCE LIMITS.—Section~~
18 ~~425(a)(1)(A) of the Higher Education Act of 1965 (20~~
19 ~~U.S.C. 1075(a)(1)(A)) is amended—~~
20 ~~(1) in clause (i)(I), by striking "$2,625" and~~
21 ~~inserting "$3,500"; and~~
22 ~~(2) in clause (ii)(I), by striking "$3,500" and~~
23 ~~inserting "$4,500".~~

~~(b) GUARANTEE LIMITS.—Section 428(b)(1)(A) of the Higher Education Act of 1965 (20 U.S.C. 1078(b)(1)(A)) is amended—~~

~~(1) in clause (i)(I), by striking "$2,625" and inserting "$3,500"; and~~

~~(2) in clause (ii)(I), by striking "$3,500" and inserting "$4,500".~~

~~(c) FEDERAL PLUS LOANS.—Section 428B of the Higher Education Act of 1965 (20 U.S.C. 1078–2) is amended—~~

~~(1) in subsection (a)(1)—~~

~~(A) in the matter preceding subparagraph (A), by striking "Parents" and inserting "A graduate or professional student or the parents";~~

~~(B) in subparagraph (A), by striking "the parents" and inserting "the graduate or professional student or the parents"; and~~

~~(C) in subparagraph (B), by striking "the parents" and inserting "the graduate or professional student or the parents";~~

~~(2) in subsection (b), by striking "any parent" and inserting "any graduate or professional student or any parent";~~

~~(3) in subsection (c)(2), by striking "parent" and inserting "graduate or professional student or parent"; and~~

~~(4) in subsection (d)(1), by striking "the parent" and inserting "the graduate or professional student or the parent".~~

~~(d) UNSUBSIDIZED STAFFORD LOANS FOR GRADUATE OR PROFESSIONAL STUDENTS.—Section 428H(d)(2) of the Higher Education Act of 1965 (20 U.S.C. 1078–8(d)(2)) is amended—~~

~~(1) in subparagraph (C), by striking "$10,000" and inserting "$12,000"; and~~

~~(2) in subparagraph (D)—~~

~~(A) in clause (i), by striking "$5,000" and inserting "$7,000"; and~~

~~(B) in clause (ii), by striking "$5,000" and inserting "$7,000".~~

~~SEC. 1004. PLUS LOAN INTEREST RATES AND ZERO SPECIAL ALLOWANCE PAYMENT.~~

~~(a) PLUS LOANS.—Section 427A(l)(2) of the Higher Education Act of 1965 (20 U.S.C. 1077a(l)(2)) is amended by striking "7.9 percent" and inserting "8.5 percent".~~

~~(b) CONFORMING AMENDMENTS FOR SPECIAL ALLOWANCES.—~~

~~(1) AMENDMENTS.—Subparagraph (I) of section 438(b)(2) of the Higher Education Act of 1965 (20 U.S.C. 1087–1(b)(2)) is amended—~~

~~(A) in clause (iii), by striking ", subject to clause (v) of this subparagraph";~~

~~(B) in clause (iv), by striking ", subject to clause (vi) of this subparagraph"; and~~

~~(C) by striking clauses (v), (vi), and (vii) and inserting the following:~~

~~"(v) RECAPTURE OF EXCESS INTEREST.—~~

~~"(I) EXCESS CREDITED.—With respect to a loan on which the applicable interest rate is determined under section 427A(l) and for which the first disbursement of principal is made on or after April 1, 2006, if the applicable interest rate for any 3-month period exceeds the special allowance support level applicable to such loan under this subparagraph for such period, then an adjustment shall be made by calculating the excess interest in the amount computed under subclause (II) of this clause, and by~~

~~crediting the excess interest to the Government not less often than annually.~~

~~"(II) CALCULATION OF EXCESS.—The amount of any adjustment of interest on a loan to be made under this subsection for any quarter shall be equal to—~~

~~"(aa) the applicable interest rate minus the special allowance support level determined under this subparagraph; multiplied by~~

~~"(bb) the average daily principal balance of the loan (not including unearned interest added to principal) during such calendar quarter; divided by~~

~~"(cc) four.~~

~~"(III) SPECIAL ALLOWANCE SUPPORT LEVEL.—For purposes of this clause, the term 'special allowance support level' means, for any loan, a number expressed as a percentage equal to the sum of the rates determined under subclauses (I) and (III)~~

of clause (i), and applying any substitution rules applicable to such loan under clauses (ii), (iii), and (iv) in determining such sum.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall not apply with respect to any special allowance payment made under section 438 of the Higher Education Act of 1965 (20 U.S.C 1087–1) before April 1, 2006.

SEC. 1005. REDUCTION OF LENDER INSURANCE REIMBURSEMENT RATES.

(a) AMENDMENT.—Subparagraph (G) of section 428(b)(1) of the Higher Education Act of 1965 (20 U.S.C. 1078(b)(1)) is amended to read as follows:

''(G) insures 97 percent of the unpaid principal of loans insured under the program;''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to any loan made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.) for which the first disbursement is made on or after January 1, 2006.

~~SEC. 1006. GUARANTY AGENCY ORIGINATION FEE.~~

~~(a) AMENDMENT.—Section 428(b)(1)(H) of the Higher Education Act of 1965 (20 U.S.C. 1078(b)(1)(H)) is amended to read as follows:~~

~~"(H) provides for the collection, and the deposit in the Federal Fund established under section 422A(a), of a guaranty agency origination fee of 1.0 percent of each disbursement of the proceeds of the loan, which fee may be provided from funds in the guaranty agency's operating fund under section 422B or from other non-Federal funds;".~~

~~(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall be effective with respect to any loan guaranteed under part B of title IV of the Higher Education Act of 1965 on or after April 1, 2006.~~

~~SEC. 1007. DEFERMENT OF STUDENT LOANS FOR MILITARY SERVICE.~~

~~(a) FEDERAL FAMILY EDUCATION LOANS.—Section 428(b)(1)(M) of the Higher Education Act of 1965 (20 U.S.C. 1078(b)(1)(M)) is amended—~~

~~(1) by striking "or" at the end of clause (ii);~~

~~(2) by redesignating clause (iii) as clause (iv); and~~

~~(3) by inserting after clause (ii) the following new clause:~~

1 ~~"(iii) not in excess of 3 years during~~
2 ~~which the borrower—~~
3 ~~"(I) is serving on active duty~~
4 ~~during a war or other military oper-~~
5 ~~ation or national emergency; or~~
6 ~~"(II) is performing qualifying~~
7 ~~National Guard duty during a war or~~
8 ~~other military operation or national~~
9 ~~emergency; or".~~
10 ~~(b) DIRECT LOANS.—Section 455(f)(2) of the Higher~~
11 ~~Education Act of 1965 (20 U.S.C. 1087e(f)(2)) is amend-~~
12 ~~ed—~~
13 ~~(1) by redesignating subparagraph (C) as sub-~~
14 ~~paragraph (D); and~~
15 ~~(2) by inserting after subparagraph (B) the fol-~~
16 ~~lowing new subparagraph:~~
17 ~~"(C) not in excess of 3 years during which~~
18 ~~the borrower—~~
19 ~~"(i) is serving on active duty during a~~
20 ~~war or other military operation or national~~
21 ~~emergency; or~~
22 ~~"(ii) is performing qualifying National~~
23 ~~Guard duty during a war or other military~~
24 ~~operation or national emergency; or".~~

~~(c) PERKINS LOANS.—Section 464(c)(2)(A) of the Higher Education Act of 1965 (20 U.S.C. 1087dd(c)(2)(A)) is amended—~~

~~(1) by redesignating clauses (iii) and (iv) as clauses (iv) and (v), respectively; and~~

~~(2) by inserting after clause (ii) the following new clause:~~

~~"(iii) not in excess of 3 years during which the borrower—~~

~~"(I) is serving on active duty during a war or other military operation or national emergency; or~~

~~"(II) is performing qualifying National Guard duty during a war or other military operation or national emergency;".~~

~~(d) DEFINITIONS.—Section 481 of the Higher Education Act of 1965 (20 U.S.C. 1088) is amended by adding at the end the following new subsection:~~

~~"(d) DEFINITIONS FOR MILITARY DEFERMENTS.—For purposes of parts B, D, and E of this title:~~

~~"(1) ACTIVE DUTY.—The term 'active duty' has the meaning given such term in section 101(d)(1) of title 10, United States Code, except that such term~~

~~does not include active duty for training or attendance at a service school.~~

~~"(2) MILITARY OPERATION.—The term 'military operation' means a contingency operation as such term is defined in section 101(a)(13) of title 10, United States Code.~~

~~"(3) NATIONAL EMERGENCY.—The term 'national emergency' means the national emergency by reason of certain terrorist attacks declared by the President on September 14, 2001, or subsequent national emergencies declared by the President by reason of terrorist attacks.~~

~~"(4) SERVING ON ACTIVE DUTY.—The term 'serving on active duty during a war or other military operation or national emergency' means service by an individual who is—~~

~~"(A) a Reserve of an Armed Force ordered to active duty under section 12301(a), 12301(g), 12302, 12304, or 12306 of title 10, United States Code, or any retired member of an Armed Force ordered to active duty under section 688 of such title, for service in connection with a war or other military operation or national emergency, regardless of the location~~

~~at which such active duty service is performed; and~~

~~"(B) any other member of an Armed Force on active duty in connection with such emergency or subsequent actions or conditions who has been assigned to a duty station at a location other than the location at which such member is normally assigned.~~

~~"(5) QUALIFYING NATIONAL GUARD DUTY.—The term 'qualifying National Guard duty during a war or other military operation or national emergency' means service as a member of the National Guard on full-time National Guard duty (as defined in section 101(d)(5) of title 10, United States Code) under a call to active service authorized by the President or the Secretary of Defense for a period of more than 30 consecutive days under section 502(f) of title 32, United States Code, in connection with a war, other military operation, or a national emergency declared by the President and supported by Federal funds.".~~

~~(c) RULE OF CONSTRUCTION.—Nothing in the amendments made by this section shall be construed to authorize any refunding of any repayment of a loan.~~

~~(f) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to loans for which the first disbursement is made on or after July 1, 2001.~~

~~SEC. 1008. REHABILITATION THROUGH CONSOLIDATION.~~

~~Section 428(c) of the Higher Education Act of 1965 (20 U.S.C 1078(c)) is amended—~~

~~(1) in paragraph (2)(A)—~~

~~(A) by inserting "(i)" after "including"; and~~

~~(B) by inserting before the semicolon at the end the following: "and (ii) requirements establishing procedures to preclude consolidation lending from being an excessive proportion of guaranty agency recoveries on defaulted loans under this part";~~

~~(2) in paragraph (2)(D), by striking "paragraph (6)" and inserting "paragraph (6)(A)"; and~~

~~(3) in paragraph (6)—~~

~~(A) by inserting "(A)" before "For the purposes of paragraph (2)(D),";~~

~~(B) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively; and~~

~~(C) by adding at the end the following new subparagraphs:~~

1 ~~"(B) GUARANTY AGENCY OBLIGATIONS.—A~~
2 ~~guaranty agency shall—~~
3 ~~"(i) on or after October 1, 2006—~~
4 ~~"(I) not charge the borrower collec-~~
5 ~~tion costs in an amount in excess of 18.5~~
6 ~~percent of the outstanding principal and~~
7 ~~interest of a defaulted loan that is paid off~~
8 ~~through consolidation by the borrower~~
9 ~~under this title; and~~
10 ~~"(II) remit to the Secretary a portion~~
11 ~~of the collection charge under subclause (I)~~
12 ~~equal to 8.5 percent of the outstanding~~
13 ~~principal and interest of such defaulted~~
14 ~~loan; and~~
15 ~~"(ii) on and after October 1, 2009, remit~~
16 ~~to the Secretary the entire amount charged~~
17 ~~under clause (i)(I) with respect to each de-~~
18 ~~faulted loan that is paid off with excess consoli-~~
19 ~~dation proceeds.~~
20 ~~"(C) EXCESS CONSOLIDATION PRO-~~
21 ~~CEEDS.—For purposes of subparagraph (B),~~
22 ~~the term 'excess consolidation proceeds' means,~~
23 ~~with respect to any guaranty agency for any~~
24 ~~Federal fiscal year beginning on or after Octo-~~
25 ~~ber 1, 2009, the proceeds of consolidation of de-~~

~~faulted loans under this title that exceed 45 percent of the agency's total collections on defaulted loans in such Federal fiscal year.''.~~

~~SEC. 1009. SINGLE HOLDER RULE.~~

~~Subparagraph (A) of section 428C(b)(1) of the Higher Education Act of 1965 (20 U.S.C. 1078–3(b)(1)) is amended by striking ''and (i)'' and all that follows through ''so selected for consolidation)''.~~

~~SEC. 1010. DEFAULT REDUCTION PROGRAM.~~

~~Section 428F(a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1078-6(a)(1)) is amended—~~

~~(1) in subparagraph (A), by striking ''consecutive payments for 12 months'' and inserting ''9 payments made within 20 days of the due date during 10 consecutive months'';~~

~~(2) by redesignating subparagraph (C) as subparagraph (D); and~~

~~(3) by inserting after subparagraph (B) the following new subparagraph:~~

~~''(C) A guaranty agency may charge the borrower and retain collection costs in an amount not to exceed 18.5 percent of the outstanding principal and interest at the time of sale of a loan rehabilitated under subparagraph (A).''.~~

~~SEC. 1011. REQUIREMENTS FOR DISBURSEMENTS OF STUDENT LOANS.~~

~~Section 428G of the Higher Education Act of 1965 (20 U.S.C. 1078–7) is amended—~~

~~(1) in subsection (a)(3), by adding at the end the following: "Notwithstanding section 422(d) of the Higher Education Amendments of 1998, this paragraph shall be effective beginning on the date of enactment of the Higher Education Amendments of 2005."; and~~

~~(2) in subsection (b)(1), by adding at the end the following: "Notwithstanding section 422(d) of the Higher Education Amendments of 1998, the second sentence of this paragraph shall be effective beginning on the date of enactment of the Higher Education Amendments of 2005.".~~

~~SEC. 1012. SPECIAL INSURANCE AND REINSURANCE RULES.~~

~~(a) REPEAL.—Section 428I of the Higher Education Act of 1965 (20 U.S.C. 1078–9) is repealed.~~

~~(b) CONFORMING AMENDMENTS.—Part A of title IV of the Higher Education Act of 1965 (20 U.S.C.1070 et seq.) is amended—~~

~~(1) in section 428(c)(1)—~~

~~(A) by striking subparagraph (D); and~~

~~(B) by redesignating subparagraphs (E) and (F) as subparagraphs (D) and (E), respectively; and~~

~~(2) in section 438(b)(5), by striking the matter following subparagraph (B).~~

~~SEC. 1013. SCHOOL AS LENDER MORATORIUM.~~

~~Section 435(d)(2) of the Higher Education Act of 1965 (20 U.S.C. 1085(d)(2)) is amended—~~

~~(1) in subparagraph (E), by striking "and" after the semicolon; and~~

~~(2) by inserting before the matter following subparagraph (F) the following:~~

~~"(G) shall have met the requirements of subparagraphs (A) through (F), and made loans under this part, on or before August 31, 2005;~~

~~"(H) shall hold each loan the eligible institution makes under this part to a student enrolled at the eligible institution until the student enters into a grace period described in section 427(a)(2)(B) or 428(b)(7);~~

~~"(I) shall use the proceeds from the sale of a loan made under this part, for need based grant aid programs, except that such proceeds—~~

1 ~~"(i) shall not be used to provide a~~
2 ~~grant to a student for an academic year in~~
3 ~~an amount that is more than the student's~~
4 ~~cost of attendance for the academic year;~~
5 ~~and~~
6 ~~"(ii) shall supplement and not sup-~~
7 ~~plant other Federal, State, and institu-~~
8 ~~tional grant aid; and~~
9 ~~"(J) shall not be a foundation or alumni~~
10 ~~organization;".~~
11 ~~**SEC. 1014. PERMANENT REDUCTION OF SPECIAL ALLOW-**~~
12 ~~**ANCE PAYMENTS FOR LOANS FROM THE PRO-**~~
13 ~~**CEEDS OF TAX EXEMPT ISSUES.**~~
14 ~~(a) TECHNICAL CLARIFICATION.—The matter pre-~~
15 ~~ceding paragraph (1) of section 2 of the Taxpayer-Teacher~~
16 ~~Protection Act of 2004 (Public Law 108–409; 118 Stat.~~
17 ~~2299) is amended by inserting "of the Higher Education~~
18 ~~Act of 1965" after "Section 438(b)(2)(B)". The amend-~~
19 ~~ment made by the preceding sentence shall be effective as~~
20 ~~if enacted on October 30, 2004.~~
21 ~~(b) AMENDMENT.—Section 438(b)(2)(B) of the~~
22 ~~Higher Education Act of 1965 (20 U.S.C. 1087–~~
23 ~~1(b)(2)(B)) is amended—~~
24 ~~(1) in clause (iv), by striking "and before Janu-~~
25 ~~ary 1, 2006,"; and~~

(2) in clause (v)(II)—

(A) in item (aa), by striking "and before January 1, 2006,";

(B) in item (bb), by striking "and before January 1, 2006,"; and

(C) in item (cc), by striking "and before January 1, 2006,".

SEC. 1015. LOAN FEES FROM LENDERS.

(a) AMENDMENT.—Paragraph (2) of section 438(d)(2) (20 U.S.C. 1087–1(d)) is amended to read as follows:

"(2) AMOUNT OF LOAN FEES.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), with respect to any loan made under this part for which the first disbursement was made on or after October 1, 1993, the amount of the loan fee that shall be deducted under paragraph (1) shall be equal to 0.50 percent of the principal amount of the loan.

"(B) CONSOLIDATION LOANS.—With respect to any loan made under section 428C on or after April 1, 2006, the amount of the loan fee that shall be deducted under paragraph (1)

~~shall be equal to 1.0 percent of the principal amount of the loan.''.~~

~~(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to any loan made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.) for which the first disbursement is made on or after April 1, 2006.~~

~~SEC. 1016. ORIGINATION FEE.~~

~~Section 455(c) of the Higher Education Act of 1965 (20 U.S.C. 1087e(c)) is amended—~~

~~(1) by striking ''shall'' and inserting ''is authorized to''; and~~

~~(2) by striking ''4.0 percent of the principal amount of loan'' and inserting ''not less than 1 percent and not more than 3 percent of the principal amount of the loan, except that the Secretary shall charge the borrower of a Federal Direct PLUS Loan an origination fee of 4.0 percent of the principal amount of the loan.''.~~

~~SEC. 1017. INCOME CONTINGENT REPAYMENT FOR PUBLIC SECTOR EMPLOYEES.~~

~~Section 455(e) of the Higher Education Act of 1965 (20 U.S.C. 1087e(e)) is amended by adding at the end the following:~~

1 ~~"(7) REPAYMENT PLAN FOR PUBLIC SECTOR~~
2 ~~EMPLOYEES.—~~
3 ~~"(A) IN GENERAL.—The Secretary shall~~
4 ~~forgive the balance due on any loan made under~~
5 ~~this part for a borrower—~~
6 ~~"(i) who has made 120 payments on~~
7 ~~such loan pursuant to income contingent~~
8 ~~repayment; and~~
9 ~~"(ii) who is employed, and was em-~~
10 ~~ployed for the 10-year period in which the~~
11 ~~borrower made the 120 payments de-~~
12 ~~scribed in clause (i), in a public sector job.~~
13 ~~"(B) PUBLIC SECTOR JOB.—In this para-~~
14 ~~graph, the term 'public sector job' means a full-~~
15 ~~time job in emergency management, govern-~~
16 ~~ment, public safety, law enforcement, public~~
17 ~~health, education (including early childhood~~
18 ~~education), or public interest legal services (in-~~
19 ~~cluding prosecution or public defense).~~
20 ~~"(8) RETURN TO STANDARD REPAYMENT.—A~~
21 ~~borrower who is repaying a loan made under this~~
22 ~~part pursuant to income contingent repayment may~~
23 ~~choose, at any time, to terminate repayment pursu-~~
24 ~~ant to income contingent repayment and repay such~~
25 ~~loan under the standard repayment plan.".~~

~~SEC. 1018. INCOME PROTECTION ALLOWANCE FOR DEPENDENT STUDENTS.~~

~~(a) AMENDMENT.—Section 475(g)(2)(D) (20 U.S.C. 1087oo(g)(2)(D)) is amended by striking "$2,200" and inserting "$3,000".~~

~~(b) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to determinations of need for periods of enrollment beginning on or after July 1, 2006.~~

~~SEC. 1019. SIMPLIFIED NEED TEST AND AUTOMATIC ZERO IMPROVEMENTS.~~

~~Section 479(c) of the Higher Education Act of 1965 (20 U.S.C. 10877ss(c)) is amended—~~

~~(1) in paragraph (1), by striking subparagraph (B) and inserting the following:~~

~~"(B) the sum of the adjusted gross income of the parents is less than or equal to $20,000; or";~~

~~(2) in paragraph (2), by striking subparagraph (B) and inserting the following:~~

~~"(B) the sum of the adjusted gross income of the student and spouse (if appropriate) is less than or equal to $20,000.".~~

1 ~~**SEC. 1020. LOAN FORGIVENESS FOR TEACHERS.**~~

2 ~~Section 3(b)(3) of the Taxpayer-Teacher Protection~~

3 ~~Act of 2004 (20 U.S.C. 1078–10 note) is amended by~~

4 ~~striking ", and before October 1, 2005".~~

5 ***SECTION 1. SHORT TITLE; TABLE OF CONTENTS.***

6 *(a) SHORT TITLE.—This Act may be cited as the*

7 *"Higher Education Amendments of 2005".*

8 *(b) TABLE OF CONTENTS.—The table of contents for*

9 *this Act is as follows:*

Sec. 1. Short title; table of contents.
Sec. 2. References.
Sec. 3. General effective date.

TITLE I—GENERAL PROVISIONS

Sec. 101. Additional definitions.
Sec. 102. General definition of institution of higher education.
Sec. 103. Definition of institution of higher education for purposes of title IV programs.
Sec. 104. Protection of student speech and association rights.
Sec. 105. National Advisory Committee on Institutional Quality and Integrity.
Sec. 106. Drug and alcohol abuse prevention.
Sec. 107. Prior rights and obligations.
Sec. 108. Cost of higher education.
Sec. 109. Performance-based organization for the delivery of Federal student financial assistance.
Sec. 110. Procurement flexibility.

TITLE II—TEACHER QUALITY ENHANCEMENT

Sec. 201. Teacher quality enhancement grants for States and partnerships.

TITLE III—INSTITUTIONAL AID

Sec. 301. Program purpose.
Sec. 302. Definitions; eligibility.
Sec. 303. American Indian tribally controlled colleges and universities.
Sec. 304. Alaska native and native Hawaiian-serving institutions.
Sec. 305. Native American-serving, nontribal institutions.
Sec. 306. Part B definitions.
Sec. 307. Grants to institutions.
Sec. 308. Allotments to institutions.
Sec. 309. Professional or graduate institutions.
Sec. 310. Authorization of appropriations.
Sec. 311. Technical corrections.

TITLE IV—STUDENT ASSISTANCE

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

Sec. 401. Federal Pell Grants.
Sec. 402. Federal trio programs.
Sec. 403. Gaining early awareness and readiness for undergraduate programs.
Sec. 404. Academic achievement incentive scholarships.
Sec. 405. Federal supplemental educational opportunity grants.
Sec. 406. Leveraging Educational Assistance Partnership Program.
Sec. 407. Special programs for students whose families are engaged in migrant and seasonal farmwork.
Sec. 408. Robert C. Byrd Honors Scholarship Program.
Sec. 409. Child care access means parents in school.
Sec. 410. Learning anytime anywhere partnerships.

Part B—Federal Family Education Loan Program

Sec. 421. Extension of authorities.
Sec. 422. Federal payments to reduce student interest costs.
Sec. 423. Federal consolidation loans.
Sec. 424. Default Reduction Program.
Sec. 425. Requirements for disbursement of student loans.
Sec. 426. Reports to credit bureaus and institutions of higher education.
Sec. 427. Common forms and formats.
Sec. 428. Student loan information by eligible borrowers.
Sec. 429. Consumer education information.
Sec. 430. Definition of eligible lender.
Sec. 431. 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.

Part C—Federal Work-Study Programs

Sec. 441. Authorization of appropriations.
Sec. 442. Allowance for books and supplies.
Sec. 443. Grants for Federal work-study programs.
Sec. 444. Job location and development programs.
Sec. 445. Work colleges.

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SEC. 2. REFERENCES.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

SEC. 3. GENERAL EFFECTIVE DATE.

Except as otherwise provided in this Act or the amendments made by this Act, the amendments made by this Act shall take effect on July 1, 2006.

TITLE I—GENERAL PROVISIONS

SEC. 101. ADDITIONAL DEFINITIONS.

(a) AMENDMENT.—Section 103 (20 U.S.C. 1003) is amended—

(1) by redesignating paragraphs (1) through (16) as paragraphs (2) through (17), respectively; and

(2) by inserting before paragraph (2) (as redesignated by paragraph (1)) the following:

"(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 the Workforce of the House of Representatives.".

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

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

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

(3) in section 207(c)(1) (20 U.S.C. 1027(c)(1)), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees";

(4) in section 401(f)(3) (20 U.S.C. 1070a(f)(3)), by striking "to the Committee on Appropriations"

and all that follows through "House of Representatives" and inserting "to the Committee on Appropriations of the Senate, the Committee on Appropriations of the House of Representatives, and the authorizing committees";

(5) in section 428 (20 U.S.C. 1078)—

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

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

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

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

(A) in the matter preceding subparagraph (A) of subsection (a)(4), by striking "Committee

on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees"; and

(B) in subsection (c)—

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

(ii) in paragraph (3), by striking "Chairperson" and all that follows through "House of Representatives" and inserting "Chairpersons and Ranking Members of the authorizing committees"; and

(iii) in paragraph (5), by striking "Chairperson" and all that follows through "House of Representatives" and inserting "Chairpersons and Ranking Members of the authorizing committees";

(7) in section 432 (20 U.S.C. 1082)—

(A) in subsection (f)(1)(C), by striking "the Committee on Education and the Workforce of the House of Representatives or the Committee

on Labor and Human Resources of the Senate" and inserting "either of the authorizing committees"; and

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

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

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

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

(B) in subsection (r)—

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

Ranking Members of the authorizing committees";

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

(iii) in paragraph (6)(B)—

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

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

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

the Chairpersons and Ranking Members of the authorizing committees, and to"; and

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

(C) in subsection (s)(2)—

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

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

(10) in section 455(b)(8)(B) (20 U.S.C. 1087e(b)(8)(B)), by striking "Committee on Labor

and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees";

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

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

(13) in section 485 (20 U.S.C. 1092)—

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

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

(14) in section 486 (20 U.S.C. 1093)—

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

(B) in subsection (f)(3)—

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

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

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

resentatives" and inserting "authorizing committees"; and

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

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

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

SEC. 102. GENERAL DEFINITION OF INSTITUTION OF HIGHER EDUCATION.

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

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

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

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

"(A) who meet the requirements of section 484(d)(3);

"(B) who are beyond the age of compulsory school attendance in the State in which the institution is located; or

"(C) who are dually or concurrently enrolled in such institution and a secondary school.".

SEC. 103. DEFINITION OF INSTITUTION OF HIGHER EDUCATION FOR PURPOSES OF TITLE IV PROGRAMS.

Section 102 (20 U.S.C. 1002) is amended—

(1) in subsection (a)—

(A) by striking paragraph (2)(A)(i) and inserting the following:

"(i) in the case of a graduate medical school located outside the United States—

"(I) at least 60 percent of those enrolled in, and at least 60 percent of the graduates of, the graduate medical school outside the United States were

not persons described in section 484(a)(5) in the year preceding the year for which a student is seeking a loan under part B of title IV; and

"(II) at least 60 percent of the individuals who were students or graduates of the graduate medical school outside the United States or Canada (both nationals of the United States and others) taking the examinations administered by the Educational Commission for Foreign Medical Graduates received a passing score in the year preceding the year for which a student is seeking a loan under part B of title IV; or";

(B) by striking paragraph (3) and inserting the following:

"(3) LIMITATIONS BASED ON ENROLLMENT.—An institution shall not be considered to meet the definition of an institution of higher education in paragraph (1) if such institution—

"(A) has a student enrollment in which more than 25 percent of the students are incarcerated, except that the Secretary may waive the

limitation contained in this subparagraph for a nonprofit institution that provides a 2- or 4-year program of instruction (or both) for which the institution awards a bachelor's degree, or an associate's degree or a postsecondary diploma, respectively; or

"(B) has a student enrollment in which more than 50 percent of the students do not have a secondary school diploma or its recognized equivalent, and does not provide a 2- or 4-year program of instruction (or both) for which the institution awards a bachelor's degree or an associate's degree, respectively, except that the Secretary may waive the limitation contained in this subparagraph if a nonprofit institution demonstrates to the satisfaction of the Secretary that the institution exceeds such limitation because the institution serves, through contracts with Federal, State, or local government agencies, significant numbers of students who do not have a secondary school diploma or its recognized equivalent.";

(C) by redesignating paragraphs (4), (5), and (6), as paragraphs (5), (6), and (7), respectively; and

(D) by inserting after paragraph (3) the following:

"(4) LIMITATIONS BASED ON MODE OF DELIVERY.—

"(A) IN GENERAL.—An institution shall not be considered to meet the definition of an institution of higher education in paragraph (1) if such institution—

"(i) offers more than 50 percent of such institution's courses by correspondence, unless the institution is an institution that meets the definition in section 3(3)(C) of the Carl D. Perkins Vocational and Technical Education Act of 1998; or

"(ii) enrolls 50 percent or more of the institution's students in correspondence courses, unless the institution is an institution that meets the definition in such section 3(3)(C), except that the Secretary, at the request of such institution, may waive the applicability of this subparagraph to such institution for good cause, as determined by the Secretary in the case of an institution of higher education that provides a 2- or 4-year program of instruction (or

both) for which the institution awards an associate or baccalaureate degree, respectively.

"(B) DISTANCE EDUCATION PROGRAM ELIGIBILITY.—Notwithstanding subparagraph (A), an institution of higher education, other than a foreign institution, that offers education or training programs principally through distance education shall be considered to meet the definition of an institution of higher education in paragraph (1) if such institution—

"(i) has been evaluated and determined (before or after the date of enactment of the Higher Education Amendments of 2005) to have the capability to effectively deliver distance education programs by an accrediting agency or association that—

"(I) is recognized by the Secretary under title IV; and

"(II) has evaluation of distance education programs within the scope of its recognition, as described in section 496(n)(3);

"(ii) is otherwise eligible to participate in programs authorized under title IV;

"(iii) has not had its participation in programs under title IV suspended or terminated within the previous 5 years;

"(iv) has not had, or failed to resolve, an audit finding or program review finding under this Act during the 2 years preceding the year for which the determination is made that, following any appeal to the Secretary, resulted in the institution being required to repay an amount that is equal to or greater than 25 percent of the total funds the institution received under the programs authorized under title IV for the most recent award year; and

"(v) has met the requirements of section 487(d), if applicable.

"(C) DEFINITION.—

"(i) IN GENERAL.—In this Act, except as otherwise provided, the term 'distance education' means a course or program that uses 1 or more of the technologies described in clause (ii) to—

"(I) deliver instruction to students who are separated from the instructor; and

"(II) support regular and substantive interaction between the students and the instructor, either synchronously or asynchronously.

"(ii) INCLUSIONS.—For the purposes of clause (i), 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, provided that they are used in a course in conjunction with the technologies listed in subclauses (I) through (III)."; and

(2) in subsection (b)(1)—

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

(B) in subparagraph (E), by striking "; and" and inserting a period; and

(C) by striking subparagraph (F).

SEC. 104. PROTECTION OF STUDENT SPEECH AND ASSOCIATION RIGHTS.

Section 112 (20 U.S.C. 1011a) is amended—

(1) in subsection (a)—

(A) by inserting "(1)" before "It is the sense"; and

(B) by adding at the end the following:

"(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) within the context of institutional mission, a college should facilitate the free and open exchange of ideas;

"(D) students should not be intimated, 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 con-

stitutionally protected religious liberty, freedom, expression, or association."; and

(2) in subsection (b)(1), by inserting ", provided that the imposition of such sanction is done objectively and fairly" after "higher education".

SEC. 105. NATIONAL ADVISORY COMMITTEE ON INSTITUTIONAL QUALITY AND INTEGRITY.

Section 114(g) (20 U.S.C. 1011c(g)) is amended by striking "September 30, 2004" and inserting "September 30, 2011".

SEC. 106. DRUG AND ALCOHOL ABUSE PREVENTION.

Section 120 (20 U.S.C. 1011i) is amended by striking subsections (e) and (f) and inserting the following:

"(e) GRANTS DIRECTED AT REDUCING HIGHER EDUCATION DRUG AND ALCOHOL ABUSE.—

"(1) AUTHORIZATION OF PROGRAM.—The Secretary may award grants to eligible entities to enable the entities to reduce the rate of drug use, underage alcohol use, and binge drinking among students at institutions of higher education.

"(2) APPLICATIONS.—An eligible entity that desires to receive a grant under this subsection shall submit an application to the Secretary at such time, in such manner, and accompanied by such informa-

tion as the Secretary may require. Each application shall include—

"(A) a description of how the eligible entity will work to enhance an existing, or where none exists to build a, statewide coalition;

"(B) a description of how the eligible entity will target underage students in the State;

"(C) a description of how the eligible entity intends to ensure that the statewide coalition is actually implementing the purpose described in paragraph (1) and moving toward the achievement indicators described in paragraph (4);

"(D) a list of the members of the statewide coalition or interested parties involved in the work of the eligible entity;

"(E) a description of how the eligible entity intends to work with State agencies on substance abuse prevention and education;

"(F) the anticipated impact of funds provided under this subsection in reducing the rates of drug abuse and underage alcohol use;

"(G) outreach strategies, including ways in which the eligible entity proposes to—

"(i) reach out to students;

"(ii) promote the purpose described in paragraph (1);

"(iii) address the range of needs of the students and the surrounding communities; and

"(iv) address community norms for underage students regarding drug and alcohol use; and

"(H) such additional information as required by the Secretary.

"(3) USES OF FUNDS.—Each eligible entity that receives a grant under this subsection shall use the grant funds to carry out the activities described in such entity's application submitted pursuant to paragraph (2).

"(4) ACCOUNTABILITY.—On the date on which the Secretary first publishes a notice in the Federal Register soliciting applications for grants under this subsection, the Secretary shall include in the notice achievement indicators for the program authorized under this subsection. The achievement indicators shall be designed—

"(A) to measure the impact that the statewide coalitions assisted under this subsection are having on the institutions of higher education

and the surrounding communities, including changes in the number of alcohol and drug-related abuse incidents of any kind (including violations, physical assaults, sexual assaults, reports of intimidation, disruptions of school functions, disruptions of student studies, mental health referrals, illnesses, or deaths);

"(B) to measure the quality and accessibility of the programs or information offered by the statewide coalitions; and

"(C) to provide such other measures of program impact as the Secretary determines appropriate.

"(5) SUPPLEMENT NOT SUPPLANT.—Grant funds provided under this subsection shall be used to supplement, and not supplant, Federal and non-Federal funds available for carrying out the activities described in this subsection.

"(6) DEFINITIONS.—In this subsection:

"(A) ELIGIBLE ENTITY.—The term 'eligible entity' means a State, an institution of higher education as defined in section 102, or a non-profit entity.

"(B) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher edu-

cation' has the meaning given the term in section 101(a).

"(C) STATE.—The term 'State' means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(D) STATEWIDE COALITION.—The term 'statewide coalition' means a coalition that—

"(i) includes—

"(I) institutions of higher education within a State; and

"(II) a nonprofit group, a community anti-drug or underage drinking prevention coalition, or another substance abuse prevention group within a State; and

"(ii) works toward lowering alcohol abuse rates by targeting underage students at institutions of higher education throughout the State and in the surrounding communities.

"(E) SURROUNDING COMMUNITY.—The term 'surrounding community' means the community—

"(i) that surrounds an institution of higher education participating in a statewide coalition;

"(ii) where the students from the institution of higher education take part in the community; and

"(iii) where students from the institution of higher education live in off-campus housing.

"(7) ADMINISTRATIVE EXPENSES.—Not more than 5 percent of a grant awarded under this subsection may be expended for administrative expenses.

"(8) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.".

SEC. 107. PRIOR RIGHTS AND OBLIGATIONS.

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

(1) in paragraph (1), by striking "1999" and inserting "2006"; and

(2) in paragraph (2), by striking "1999" and inserting "2006".

SEC. 108. COST OF HIGHER EDUCATION.

Section 131 (20 U.S.C. 1015) is amended—

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

"(b) COLLEGE CONSUMER INFORMATION.—

"(1) IN GENERAL.—The Secretary shall make available to the public the information described in paragraph (2), in a form that enables the public to compare the information among institutions of higher education. Such information shall be made available for each of the categories described in paragraph (3) and updated annually.

"(2) INFORMATION.—The information described in this paragraph is the following:

"(A) Tuition and fees for a first-time, full-time undergraduate student.

"(B) Cost of attendance for a first-time, full-time undergraduate student.

"(C) The average annual cost of attendance for a first-time, full-time undergraduate student for the preceding periods of 5 and 10 academic years preceding the year for which the information is made available under this subsection, or if data are not available for such academic years, data for as many of such academic years as are available.

"(D) The percentage of full-time undergraduate students receiving financial assistance, including—

"(i) Federal grants;

"(ii) State and local grants;

"(iii) institutional grants; and

"(iv) loans to students.

"(E) The average amount of financial aid received by students from sources described in clauses (i) through (iv) of subparagraph (D).

"(F) Graduation rates, as described in section 485(a)(1)(L).

"(G) A ranking of the dollar and percentage increases in tuition and fees for all institutions of higher education for which data are available in each of the categories described in paragraph (3).

"(3) CATEGORIES.—The categories described in this paragraph are as follows:

"(A) All institutions of higher education.

"(B) 4-year public, degree-granting, institutions of higher education.

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

"(D) 4-year, nonprofit, private, degree-granting institutions of higher education.

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

"(F) 4-year, for-profit, private, degree-granting institutions of higher education.

"(G) 2-year, for-profit, private, degree-granting institutions of higher education.

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

"(4) STANDARD DEFINITIONS.—In carrying out this section, the Secretary shall use the standard definitions developed under subsection (a)(3)."; and

(2) in subsection (c)—

(A) in paragraph (1), by inserting "be conducted on an annual basis and" after "Such study shall";

(B) in paragraph (2)—

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

(ii) in subparagraph (C), by striking the period and inserting a semicolon; and

(iii) by adding at the end the following:

"(D) the average cost of attending an institution of higher education, disaggregated by category, as described in subsection (b)(3);

"(E) the average annual cost of attending an institution of higher education for the periods of 5 and 10 academic years preceding the year for which the study is conducted (or if data are not available for such academic years, data for as many of such academic years as are available), disaggregated by category, as described in subsection (b)(3); and

"(F) the assistance provided to institutions of higher education by each State.";

(C) in paragraph (3)—

(i) in the paragraph heading, by striking "FINAL" and inserting "ANNUAL";

(ii) by striking "a report" and inserting "an annual report"; and

(iii) by striking "not later than September 30, 2002" and inserting "and the public"; and

(D) by striking paragraph (4) and inserting the following:

"(4) HIGHER EDUCATION COST INDEX.—The Bureau of Labor Statistics, in consultation with the

Commissioner of Education Statistics, shall develop a higher education cost index that tracks inflation changes in the relevant costs associated with higher education.".

SEC. 109. PERFORMANCE-BASED ORGANIZATION FOR THE DELIVERY OF FEDERAL STUDENT FINANCIAL ASSISTANCE.

Section 141 (20 U.S.C. 1018) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "operational" and inserting "administrative and oversight"; and

(B) in paragraph (2)(D), by striking "of the operational functions" and inserting "and administration";

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking "the information systems administered by the PBO, and other functions performed by the PBO" and inserting "the Federal student financial assistance programs authorized under title IV"; and

(ii) by striking subparagraph (C) and inserting the following:

"(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."; and

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking "administration of the information and financial systems that support" and inserting "the administration of Federal";

(ii) in subparagraph (A)—

(I) in the matter preceding clause (i), by striking "of the delivery system for Federal student assistance" and inserting "for the Federal student assistance programs authorized under title IV";

(II) by striking clauses (i) and (ii) and inserting the following:

"(i) the collection, processing, and transmission of data to students, institu-

tions, 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) in clause (iii), by striking "delivery" and inserting "administration";

(IV) in clause (iv)—

(aa) by inserting "the" after "supporting"; and

(bb) by striking "and" after the semicolon;

(V) in clause (v), by striking "systems that support those programs." and inserting "the administration of the Federal student assistance programs authorized under title IV; and"; and

(VI) by adding at the end the following:

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

(iii) in subparagraph (B), by striking "operations and services" and inserting "activities and functions"; and

(3) in subsection (c)—

(A) in paragraph (1)(C)—

(i) in clause (iii), by striking "information and delivery"; and

(ii) in clause (iv)—

(I) by striking "Developing an" and inserting "Developing"; and

(II) by striking "delivery and information system" and inserting "systems";

(B) in paragraph (2)—

(i) in subparagraph (A), by inserting "the" after "PBO and"; and

(ii) in subparagraph (B), by striking "Officer" and inserting "Officers"; and

(C) in paragraph (3), by inserting "students," after "consult with";

(4) in subsection (d)—

(A) in paragraph (1), by striking the second sentence; and

(B) in paragraph (5)—

(i) in subparagraph (B), by striking "paragraph (2)" and inserting "paragraph (4)"; and

(ii) in subparagraph (C), by striking "this";

(5) in subsection (f)—

(A) in paragraph (2), by striking "to borrowers" and inserting "to students, borrowers,"; and

(B) in paragraph (3)(A), by striking "(1)(A)" and inserting "(1)";

(6) in subsection (g)(3), by striking "not more than 25";

(7) in subsection (h), by striking "organizational effectiveness" and inserting "effectiveness";

(8) by striking subsection (i);

(9) by redesignating subsection (j) as subsection (i); and

(10) in subsection (i) (as redesignated by paragraph (9)), by striking ", including transition costs".

SEC. 110. PROCUREMENT FLEXIBILITY.

Section 142 (20 U.S.C. 1018a) is amended—

(1) in subsection (b)—

(A) in paragraph (1)—

(i) by striking "for information systems supporting the programs authorized under title IV"; and

(ii) by striking "and" after the semicolon;

(B) in paragraph (2), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(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.";

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

"(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.";

(3) in subsection (d)(2)(B), by striking "on Federal Government contracts";

(4) in subsection (g)—

(A) in paragraph (4)(A)—

(i) in the subparagraph heading, by striking "SOLE SOURCE.—" and inserting "SINGLE-SOURCE BASIS.—"; and

(ii) by striking "sole-source" and inserting "single-source"; and

(B) in paragraph (7), by striking "sole-source" and inserting "single-source";

(5) in subsection (h)(2)(A), by striking "sole-source" and inserting "single-source"; and

(6) in subsection (l), by striking paragraph (3) and inserting the following:

"(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.".

TITLE II—TEACHER QUALITY ENHANCEMENT

SEC. 201. TEACHER QUALITY ENHANCEMENT GRANTS FOR STATES AND PARTNERSHIPS.

Part A of title II (20 U.S.C. 1021 et seq.) is amended to read as follows:

"PART A—TEACHER QUALITY ENHANCEMENT GRANTS FOR STATES AND PARTNERSHIPS

"SEC. 201. PURPOSES; DEFINITIONS.

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

"(1) improve student achievement;

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

"(3) hold institutions of higher education accountable for preparing 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 areas in which teachers provide instruction; and

"(B) when referring to a specific academic subject area, the disciplines or content areas in which academic majors are offered by the arts and sciences organizational unit.

"(2) CHILDREN FROM LOW-INCOME FAMILIES.—The term 'children from low-income families' means children as described in section 1124(c)(1)(A) of the Elementary and Secondary Education Act of 1965.

"(3) EARLY CHILDHOOD EDUCATION PROGRAM.—The term 'early childhood education program' means a Head Start program or an Early Head Start program carried out under the Head Start Act (42 U.S.C. 9831 et seq.), a State licensed or regulated child care program or school, or a State prekindergarten program that serves children from birth through kindergarten and that addresses the children's cognitive (including language, early lit-

eracy, and pre-numeracy), social, emotional, and physical development.

"(4) 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.

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

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

"(7) HIGH-NEED LOCAL EDUCATIONAL AGENCY.—The term 'high-need local educational agency' means a local educational agency or educational service agency—

"(A)(i) that serves not fewer than 10,000 children from low-income families;

"(ii) for which not less than 20 percent of the children served by the agency are 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 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.

"(8) 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.

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

"(10) SCIENTIFICALLY BASED READING RESEARCH.—The term 'scientifically based reading research' has the meaning given such term in section

1208 of the Elementary and Secondary Education Act of 1965.

"(11) SCIENTIFICALLY BASED RESEARCH.—The term 'scientifically based research' has the meaning given such term in section 9101 of the Elementary and Secondary Education Act of 1965.

"(12) TEACHER MENTORING.—The term 'teacher mentoring' means mentoring of teachers through an established or implemented program—

"(A) that includes qualifications for mentors;

"(B) that provides training for mentors;

"(C) that provides regular and ongoing opportunities for mentors and mentees to observe each other's teaching methods in classroom settings during the school day;

"(D) in which the mentoring is provided by a colleague who teaches in the same field, grade, or subject as the mentee; and

"(E) that includes—

"(i) common planning time or regularly scheduled collaboration with teachers in the teachers' same field, grade, or subject area; and

"(ii) additional professional development opportunities.

"(13) TEACHING SKILLS.—The term 'teaching skills' means the ability to—

"(A) increase student achievement;

"(B) effectively convey and explain academic subject matter;

"(C) employ strategies that—

"(i) are based on scientifically based research;

"(ii) are specific to academic subject matter; and

"(iii) focus on identification and tailoring of academic instruction to students' specific learning needs, particularly students with disabilities, students who are limited English proficient, and students who are gifted and talented;

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

"SEC. 202. STATE GRANTS.

"(a) IN GENERAL.—From amounts made available under section 209(a)(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 subsections (d) and (e).

"(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 or licensure and preparation activity, such individual, entity, or agency.

"(2) CONSULTATION.—The Governor or the individual, entity, or agency designated under paragraph (1)(B) shall consult with the Governor, State board of education, State educational agency, State agency for

higher education, or other applicable State entities (including the State agency responsible for early childhood education), as appropriate, with respect to the activities assisted under this section, including the development of the grant application and implementation of the activities.

"(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 submit an application to the Secretary that—

"(1) meets the requirement of this section;

"(2) demonstrates that the eligible State is in full compliance with—

"(A) sections 206(b) and 207; and

"(B) if applicable, sections 207(b) and 208, as such sections were in effect on the day before the date of enactment of the Higher Education Amendments of 2005;

"(3) includes a description of how the eligible State intends to use funds provided under this section;

"(4) includes measurable objectives for the use of the funds provided under this section;

"(5) describes how funded activities will—

"(A) reduce shortages, if any, of—

"(i) highly qualified general and special education teachers, including in low-income urban and rural areas and in high-need academic subject areas; and

"(ii) fully competent early childhood educators; and

"(B) be consistent with State, local, and other education reform activities that promote effective teaching skills and student academic achievement and consistent with State early learning standards for early childhood education programs, including how funded activities will support carrying out the applicable requirements of the eligible State under sections 1111 and 1119 of the Elementary and Secondary Education Act of 1965, and section 612(a)(14) of the Individuals with Disabilities Education Act;

"(6) contains an assurance that the eligible State will carry out each of the intended uses of grant funds described in paragraph (3);

"(7) describes the eligible State's—

"(A) current capacity to measure the effectiveness of teacher preparation programs and professional development activities within the State using available statewide data;

"(B) activities to enhance or expand the integration of existing data systems to better measure the effectiveness of teacher preparation programs and professional development activities within the State; or

"(C) if such data systems do not exist, plans for the development of an integrated statewide data system to measure the effectiveness of teacher preparation programs and professional development activities within the State using available statewide data; and

"(8) contains such other information and assurances as the Secretary may require.

"(d) REQUIRED USES OF FUNDS.—An eligible State that receives a grant under this section shall use the grant funds to reform teacher preparation requirements, to coordinate with State activities under section 2113(c) of the

Elementary and Secondary Education Act of 1965 and subsections (a) and (b) of section 654 of the Individuals with Disabilities Education Act, and to ensure that current and prospective teachers are highly qualified, by carrying out each of the following activities:

"(1) REFORMS.—Ensuring that all teacher preparation programs in the State are preparing current or prospective teachers to become highly qualified, to understand scientifically based research and its applicability, and to use technology effectively, including use of instructional techniques to improve student academic achievement, by assisting such programs—

"(A) in retraining faculty;

"(B) in designing (or redesigning) teacher preparation programs so that such programs—

"(i) are based on rigorous academic content and scientifically based research (including scientifically based reading research), and aligned with challenging State academic content standards;

"(ii) promote effective teaching skills; and

"(iii) promote understanding of effective instructional strategies for students with special needs, including students with

disabilities, students who are limited English proficient, and students who are gifted and talented;

"(C) in ensuring collaboration with departments, programs, or units outside of the teacher preparation program in relevant academic content areas to ensure a successful combination of training in both teaching and such content;

"(D) in developing high-quality, rigorous clinical experiences (that include student teaching experience) in which students participate while enrolled in a teacher preparation program, lasting not less than 1 term, through dissemination of best practices, technical assistance, or other relevant activities; and

"(E) in collecting and using data, in collaboration with institutions of higher education, schools, and local educational agencies, on teacher retention rates, by school, to evaluate and strengthen the effectiveness of the State's teacher support system.

"(2) CERTIFICATION OR LICENSURE REQUIREMENTS.—Reforming teacher certification or licensure requirements to ensure that—

"(A) teachers have the academic content knowledge and teaching skills in the academic subject areas that the teachers teach that are necessary to help students meet challenging State student academic achievement standards, as required under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965;

"(B) such requirements are aligned with challenging State academic content standards, as required under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965;

"(C) teacher certification and licensure assessments are—

"(i) used for purposes for which such assessments are valid and reliable;

"(ii) consistent with relevant, professional, and technical standards; and

"(iii) aligned with the reporting requirements of sections 205 and 206; and

"(D) such requirements for high-need academic subject areas (such as reading, mathematics, science, and foreign language, including less commonly taught languages) and high-need areas (such as special education, language instruction educational programs, and early child-

hood education) exist and reflect qualifications to help students meet high standards, which may include the development of a State test for such areas.

"(3) EVALUATION.—

"(A) ANNUAL EVALUATION.—An eligible State that receives a grant under this section shall evaluate annually the effectiveness of teacher preparation programs and professional development activities within the State. To the extent practicable, such evaluation shall examine—

"(i) teachers' contributions to improving student academic achievement, as measured by State academic assessments required under section 1111(b)(3) of the Elementary and Secondary Education Act of 1965; and

"(ii) teacher mastery of the academic subject matter the teachers teach.

"(B) PUBLIC REPORTING.—The eligible State shall make the information described in subparagraph (A) widely available through public means, such as posting on the Internet, distribution to the media, and distribution through public agencies, except such reporting shall not

be made in a case in which the reporting of the data would reveal personally identifiable information about a teacher or student.

"(C) BETTER MEASUREMENT OF EFFECTIVENESS.—

"(i) IN GENERAL.—An eligible State that receives a grant under this section and does not have the capacity to measure the effectiveness of teacher preparation programs and professional development activities within the State using available statewide data, shall use a portion of funds received under this section to enhance or expand the integration of existing data systems, as described in subsection (c)(7)(B), or develop an integrated statewide data system, as described in subsection (c)(7)(C), to better measure and provide information that will improve the effectiveness of teacher preparation programs on student learning and achievement, and the impact of preservice and ongoing professional development on teacher placement and retention.

"(ii) TECHNICAL QUALITY; STUDENT PRIVACY; FUNDS FROM OTHER SOURCES.—

In carrying out clause (i), the eligible State shall ensure—

"(I) the technical quality of the data system to maximize the validity, reliability, and accessibility of the data;

"(II) that student privacy is protected and that individually identifiable information about students, their achievements, and their families remains confidential, in accordance with the Family Educational Rights and Privacy Act of 1974; and

"(III) that funds provided under this section are used to supplement State efforts to enhance or expand the integration of existing data systems or to develop an integrated statewide data system.

"(e) ALLOWABLE USES OF FUNDS.—An eligible State that receives a grant under this section may use the grant funds to reform teacher preparation requirements, to coordinate with State activities under section 2113(c) of the Elementary and Secondary Education Act of 1965 and subsections (a) and (b) of section 654 of the Individuals with

Disabilities Education Act, and to ensure that current and future teachers are highly qualified, by carrying out any of the following activities:

"(1) ALTERNATIVES TO TRADITIONAL PREPARATION FOR TEACHING AND STATE CERTIFICATION OR LICENSURE.—Providing prospective teachers with alternative routes to State certification or licensure and alternative route programs to become highly qualified teachers through—

"(A) innovative approaches that reduce unnecessary barriers to State certification or licensure while producing highly qualified teachers;

"(B) a selective means for admitting individuals into such programs that includes passage of State approved teacher examinations in appropriate subject areas;

"(C) programs that help prospective teachers develop effective teaching skills and strategies through knowledge of research-based information on the learning process and learning practices;

"(D) programs that provide support to teachers during the teachers' initial years in the profession; and

"(E) alternative routes to State certification or licensure of teachers for qualified individuals,

including mid-career professionals from other occupations, paraprofessionals, former military personnel, and recent college graduates with records of academic distinction.

"(2) INNOVATIVE PROGRAMS.—Planning and implementing innovative programs to enhance the ability of institutions of higher education, including charter colleges of education, or university and local educational agency partnership schools, to prepare highly qualified teachers, which programs shall—

"(A) permit flexibility in the manner in which the institution of higher education meets State requirements as long as graduates, during the graduates' initial years in the profession, increase student academic achievement;

"(B) provide a description in the application of long-term data gathered from teachers' performance over multiple years in the classroom regarding the teachers' ability to increase student academic achievement;

"(C) ensure high-quality preparation of teachers from underrepresented groups;

"(D) create performance measures that can be used to document the effectiveness of innova-

tive methods for preparing highly qualified teachers; and

"(E) develop frameworks for exemplary induction programs informed by research and best practices.

"(3) TEACHER RECRUITMENT AND RETENTION.—Undertaking activities that develop and implement effective mechanisms to ensure that local educational agencies and schools are able to recruit and retain highly qualified teachers, which may include the following activities:

"(A) PERFORMANCE BASED COMPENSATION.—Assisting local educational agencies in developing—

"(i) performance systems that reward teachers who increase student academic achievement and take on additional responsibilities, such as teacher mentoring and serving as master teachers; and

"(ii) strategies that provide differential and bonus pay in high-need local educational agencies to recruit and retain—

"(I) principals;

"(II) highly qualified teachers who teach in high-need academic sub-

ject areas (such as reading, mathematics, science, and foreign language, including less commonly taught languages);

"(III) highly qualified teachers who teach in schools identified for school improvement under section 1116(b) of the Elementary and Secondary Education Act of 1965;

"(IV) highly qualified special education teachers;

"(V) highly qualified teachers specializing in teaching children who are limited English proficient; and

"(VI) highly qualified teachers in low-income urban and rural schools or districts.

"(B) ADDITIONAL MECHANISMS.—Developing and implementing effective mechanisms to ensure that local educational agencies and schools are able to—

"(i) address needs identified with respect to—

"(I) underrepresented groups;

"(II) high-need academic subject areas (such as reading, mathematics, science, and foreign language, including less commonly taught languages);

"(III) high-need areas (such as special education, language instruction educational programs for limited English proficient students, and early childhood education);

"(IV) high-need communities, such as rural and urban areas; and

"(V) high-need schools, including schools with high rates of teacher turnover;

"(ii) offer teacher mentoring for new teachers during such teachers' initial years of teaching; and

"(iii) provide access to ongoing professional development and innovative training opportunities for teachers and administrators.

"(C) TEACHER ADVANCEMENT.—Assisting local educational agencies in developing teacher advancement and retention initiatives that promote professional growth and emphasize multiple

career paths (such as paths to becoming a highly qualified mentor teacher or exemplary teacher) and pay differentiation.

"(D) RECRUIT QUALIFIED PROFESSIONALS.—Developing recruitment programs or assisting local educational agencies in—

"(i) recruiting qualified professionals from other fields, including highly qualified paraprofessionals (as defined in section 2102 of the Elementary and Secondary Education Act of 1965); and

"(ii) providing such professionals with alternative routes to teacher certification or licensure.

"(E) UNDERREPRESENTED POPULATIONS.—Providing increased opportunities for minorities, individuals with disabilities, and other individuals underrepresented in the teaching profession to become highly qualified teachers.

"(F) RURAL EDUCATION RECRUITMENT AND RETENTION PROGRAMS.—Making grants to rural school districts, or a consortia of rural school districts, to implement—

"(i) teacher recruitment strategies, which may include tuition assistance, stu-

dent loan forgiveness, housing assistance, bonus pay, and other effective approaches;

"(ii) teacher retention strategies, such as mentoring programs and ongoing opportunities for professional growth and advancement; and

"(iii) partnerships with institutions of higher education designed to—

"(I) prepare beginning teachers to teach; and

"(II) assist teachers (including teachers who teach multiple subjects) to become highly qualified.

"(4) TEACHER SCHOLARSHIPS AND SUPPORT.—Providing—

"(A) scholarships to help students, such as individuals who have been accepted by, or who are enrolled in, a program of undergraduate education or initial teacher preparation at an institution of higher education, pay the costs of tuition, room, board, and other expenses of completing a teacher preparation program, if—

"(i) the Secretary establishes such requirements as the Secretary determines necessary to ensure that recipients of scholar-

ships under this section who complete teacher preparation programs—

"(I) subsequently teach in an early childhood education program or a high-need local educational agency for a period of time equivalent to the period of time for which the recipient received scholarship assistance, plus an additional 1 year; or

"(II) repay the amount of the scholarship if the recipient does not teach as described in subclause (I); and

"(ii) the eligible State provides an assurance that the eligible State will recruit minority students to become highly qualified teachers;

"(B) support services, if needed, to enable scholarship recipients to complete postsecondary education programs, or to move from a career outside of the field of education into a teaching career; and

"(C) follow-up services to former scholarship recipients during the recipients' initial years of teaching.

"(5) TEACHER REMOVAL.—Developing and implementing effective mechanisms to ensure that local educational agencies and schools are able to expeditiously remove incompetent or unqualified teachers consistent with procedures to ensure due process for the teachers.

"(6) TEACHER EFFECTIVENESS.—Developing—

"(A) systems to measure the effectiveness of teacher preparation programs and professional development programs; and

"(B) strategies to document gains in student academic achievement or increases in teacher mastery of the academic subject matter the teachers teach, as a result of such programs.

"(7) EARLY CHILDHOOD EDUCATORS.—Developing strategies to improve and expand teacher preparation programs for early childhood educators to teach in early childhood education programs.

"(8) PROFESSIONAL DEVELOPMENT.—Developing and enhancing high-quality professional development, instructional materials, and relevant educational materials.

"(9) TECHNOLOGY.—Assisting teachers to use technology effectively, including use for instructional techniques and the collection, management, and anal-

ysis of data to improve teaching, learning, and decision making for the purpose of increasing student academic achievement.

"(10) AREAS OF INSTRUCTIONAL SHORTAGE.—Increasing the number of—

"(A) teachers in the classroom providing instruction in high-need academic subject areas (such as reading, mathematics, science, and foreign language, including less commonly taught languages) and high-need areas (such as special education, language instruction educational programs for limited English proficient students, and early childhood education); and

"(B) special education faculty dedicated to preparing highly qualified special education teachers at institutions of higher education.

"(11) TECHNICAL ASSISTANCE.—Providing technical assistance to low-performing programs of teacher preparation within institutions of higher education identified under section 207(a).

"(12) EVALUATION SUPPORT.—Performing data collection, evaluation, and reporting to meet the requirements of subsection (d)(3).

"(13) PROFESSIONAL ADVANCEMENT.—Developing a professional advancement system to—

"(A) initiate or enhance a system in which highly qualified teachers who pursue advanced licensure levels are required to demonstrate increased competencies and undertake increased responsibilities for increased compensation as the teachers progress through levels established by the State; or

"(B) provide opportunities for professional growth, including through—

"(i) a nationally recognized advance credentialing system; or

"(ii) special certification in advanced placement or international baccalaureate content, teaching gifted and talented students, and pedagogy.

"(f) 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. PARTNERSHIP GRANTS.

"(a) GRANTS.—From amounts made available under section 209(a)(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 partner-

ships to carry out the activities described in subsections (e) and (f).

"(b) DEFINITIONS.—

"(1) ELIGIBLE PARTNERSHIP.—

"(A) IN GENERAL.—In this part, the term 'eligible partnership' means an entity that shall include—

"(i) a partner institution;

"(ii) a school of arts and sciences;

"(iii) a high-need local educational agency and a school or a consortium of schools served by the agency; and

"(iv) at least 1 individual or entity described in subparagraph (B).

"(B) ADDITIONAL INDIVIDUALS AND ENTITIES.—In this part, the term 'eligible partnership' means an entity that shall include at least 1 of the following:

"(i) A Governor.

"(ii) A State educational agency.

"(iii) A State board of education.

"(iv) A State agency for higher education.

"(v) A school or department within the partner institution focusing on education,

psychology, human development, or a department with comparable expertise in the disciplines of teaching, learning, and child and adolescent development.

"(vi) An institution of higher education or a department within such institution, not described in subparagraph (A).

"(vii) A public charter school.

"(viii) A public or private elementary school or secondary school.

"(ix) A public or private nonprofit educational organization.

"(x) A business.

"(xi) A science-, mathematics-, or technology-oriented entity.

"(xii) An early childhood education program.

"(xiii) A teacher organization.

"(xiv) An educational service agency.

"(xv) A consortium of local educational agencies.

"(xvi) A nonprofit telecommunications entity.

"(2) PARTNER INSTITUTION.—In this section, 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, that has a teacher preparation program—

"(A) whose graduates exhibit strong performance on State-determined qualifying assessments for new teachers through—

"(i) demonstrating that 80 percent or more of the graduates of the program who intend to enter the field of teaching have passed all of the applicable State qualification assessments for new teachers, which shall include an assessment of each prospective teacher's subject matter knowledge in the content area in which the teacher intends to teach; or

"(ii) being ranked among the highest-performing teacher preparation programs in the State as determined by the State—

"(I) using criteria consistent with the requirements for the State report card under section 206(b); and

"(II) using the State report card on teacher preparation required under section 206(b), after the first publica-

tion of such report card and for every year thereafter; or

"(B) that requires all the students of the program to meet high academic standards and participate in intensive clinical experience, and—

"(i) in the case of secondary school candidates, to successfully complete—

"(I) a major or its equivalent in coursework in the academic subject area in which the candidate intends to teach; or

"(II) a related major in the academic subject area in which the candidate intends to teach;

"(ii) in the case of elementary school candidates, to successfully complete—

"(I) an academic major or its equivalent in coursework in the arts and sciences; or

"(II) a major in elementary education with a significant amount of coursework in the arts and sciences; and

"(iii) in the case of early childhood educators, to become fully competent and meet degree requirements, as established by the State.

"(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 contain—

"(1) a needs assessment of all the partners with respect to the preparation, induction, and professional development of early childhood educators, general and special education teachers, and principals;

"(2) a description of the extent to which the teacher preparation program of the eligible partnership prepares new teachers with effective teaching skills;

"(3) a description of how the eligible partnership will coordinate 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 how the activities of the eligible partnership will be consistent with State, local, and

other education reform activities that promote student achievement;

"(4) a resource assessment that describes the resources available to the eligible partnership, the intended use of the grant funds (including a description of how the grant funds will be fairly distributed), and the commitment of the resources of the eligible partnership to the activities assisted under this part, including financial support, faculty participation, time commitments, and continuation of the activities when the grant period ends;

"(5) a description of—

"(A) how the eligible partnership will meet the purposes of this part;

"(B) how the eligible partnership will carry out the activities required under subsection (e) and any permissible activities under subsection (f);

"(C) the eligible partnership's evaluation plan pursuant to section 205(b);

"(D) how the eligible partnership will align the teacher preparation program with the challenging student academic achievement standards, State early learning standards for early childhood education programs (where applicable), and

challenging academic content standards, established by the State in which the partnership is located;

"(E) how faculty of the teacher preparation program at the partner institution will serve, over the period of the grant, with highly qualified teachers in the classrooms of the high-need local educational agency included in the eligible partnership;

"(F) how the eligible partnership will ensure that teachers, principals, and superintendents in all schools (including private schools, as appropriate) located in the geographic areas served by an eligible partnership under this section are provided information about the activities carried out with funds under this section, including through electronic means;

"(G) how the eligible partnership will design, implement, or enhance the clinical program component, including promoting close supervision of student teachers by faculty of the teacher preparation program and mentor teachers while in the program and during the student teachers' initial years of teaching if hired by schools included in the eligible partnership;

"(H) how the eligible partnership will develop or enhance an induction program that includes high-quality professional development to support new teachers during the teachers' initial years of teaching that includes teacher mentoring and collaborating with teachers in the same grade, department, or field; and

"(I) how the eligible partnership will collect, analyze, use, and disseminate data on the retention of all teachers in schools located in the geographic areas served by the eligible partnership to evaluate the effectiveness of its teacher support system; and

"(6) an assurance that the eligible partnership will carry out each of the activities described in paragraph (5).

"(d) 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 only if a written consent signed by all members of the eligible partnership is submitted to the Secretary.

"(e) REQUIRED USES OF FUNDS.—An eligible partnership that receives a grant under this section shall use the grant funds to carry out each of the following activities:

"(1) REFORMS.—Ensuring that each teacher preparation program and each early childhood educator preparation program, where applicable, of the eligible partnership that is assisted under this section addresses the needs identified in the needs assessment of the partnership and is preparing current or prospective teachers to be highly qualified, and, where applicable, early childhood educators to be fully competent, to understand scientifically based research and its applicability, and to use technology effectively, including use of instructional techniques to improve student academic achievement, and in the case of early childhood educators, techniques to improve chil-

dren's cognitive, social, emotional, and physical development, by assisting such programs—

"(A) in retraining faculty;

"(B) in designing (or redesigning) teacher preparation programs so that such programs—

"(i) are based on rigorous academic content and scientifically based research (including scientifically based reading research), and aligned with challenging State academic content standards, as required under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965, and for early childhood educators, aligned with State early learning standards;

"(ii) promote effective teaching skills;

"(iii) promote understanding of effective instructional strategies for students with special needs, including students with disabilities, students who are limited English proficient, students who are gifted and talented, and children in early childhood education programs; and

"(iv) promote high-quality mathematics, science, and foreign language instruction, where applicable;

"(C) in ensuring collaboration with departments, programs, or units outside of the teacher preparation program in all academic content areas to ensure a successful combination of training in both teaching and such content; and

"(D) in developing high-quality, rigorous clinical experiences, lasting not less than 1 term, through dissemination of best practices, technical assistance, or other relevant activities.

"(2) CLINICAL EXPERIENCE AND INTERACTION.—Improving sustained and high-quality preservice clinical experiences, including—

"(A) providing teacher mentoring; and

"(B) 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 and release time, for such interaction.

"(3) SUPPORT PROGRAMS FOR NEW TEACHERS.—Creating a program to support new teachers during the initial years of teaching (for not less than 1 year and not more than 3 years). Such program

shall promote effective teaching skills and may include the following components:

"(A) Development of skills in educational interventions based on scientifically based research.

"(B) Development of knowledge of scientifically based research on teaching and learning.

"(C) Inclusion of faculty who model the integration of research and practice in the classroom.

"(D) Opportunities for—

"(i) high-quality teacher mentoring; and

"(ii) additional professional development, dissemination of evidence-based research on educational practices, and professional development activities.

"(E) Interdisciplinary collaboration among exemplary teachers, faculty, researchers, and other staff who prepare new teachers in the learning process and the assessment of learning.

"(f) ALLOWABLE USES OF FUNDS.—An eligible partnership that receives a grant under this section may use the grant funds to carry out any of the following activities that address the needs identified in the needs assessment:

"(1) ALTERNATIVES TO TRADITIONAL PREPARATION FOR TEACHING AND STATE CERTIFICATION OR LICENSURE.—The activity described in section 202(e)(1).

"(2) DISSEMINATION AND COORDINATION.—Broadly disseminating information on effective practices used by the eligible partnership, and coordinating with the recruitment and training activities of the Governor, State board of education, State agency for higher education, State agency responsible for early childhood education, and State educational agency, as appropriate.

"(3) INNOVATIVE PROGRAMS.—Developing innovative programs designed to provide graduates of programs funded under this title with opportunities to continue their education through supports and opportunities to improve instructional practices in the initial years of teaching, including the following:

"(A) INTERNSHIPS.—

"(i) TEACHER PREPARATION ENHANCEMENT INTERNSHIP.—Developing a 1-year paid internship program for students who have completed an initial teacher preparation program, or alternative routes to State certification or licensure program, to enable

such students to develop the skills and experience necessary for success in teaching, including providing intensive clinical training and combining in-service instruction in teacher methods and assessments with classroom observations, experiences, and practices. Such interns shall have a reduced teaching load and a mentor for assistance in the classroom.

"(ii) MID-CAREER PROFESSIONAL INTERNSHIPS.—Developing a 1-year paid internship program for mid-career professionals from other occupations, former military personnel, and recent college graduates from fields other than teacher preparation with records of academic distinction to enable such individuals to develop the skills and experience necessary for success in teaching, including providing intensive clinical training and combining in-service instruction in teacher methods and assessments with classroom observations, experiences, and practices. Such interns shall have a reduced teaching load and a mentor for assistance in the classroom.

"(B) RESIDENCY PROGRAMS FOR NEW TEACHERS.—Supporting teachers in a residency program that provides an induction period for all new general education and special education teachers that includes—

"(i) a forum for information sharing among prospective teachers, teachers, principals, administrators, and participating faculty in the partner institution; and

"(ii) the application of scientifically based research on teaching and learning generated by entities such as the Institute of Education Sciences, and the National Research Council of the National Academies.

"(C) PATHWAYS FOR PARAPROFESSIONALS TO ENTER TEACHING.—Creating intensive programs to provide the coursework and clinical experiences needed by highly qualified paraprofessionals, as defined in section 2102 of the Elementary and Secondary Education Act of 1965, to qualify for State teacher certification or licensure to become highly qualified teachers.

"(4) MANAGERIAL AND LEADERSHIP SKILLS.—Developing and implementing proven mechanisms to provide principals and superintendents with effective

managerial, leadership, curricula, and instructional skills that result in increased student academic achievement.

"(5) TEACHER SCHOLARSHIPS AND SUPPORT.—Providing—

"(A) scholarships to help students, such as individuals who have been accepted by, or who are enrolled in, a program of undergraduate education at an institution of higher education, pay the costs of tuition, room, board, and other expenses of completing a teacher preparation program, if—

"(i) the Secretary establishes such requirements as the Secretary determines necessary to ensure that recipients of scholarships under this paragraph who complete teacher preparation programs—

"(I) subsequently teach in a high-need local educational agency for a period of time equivalent to the period of time for which the recipient received the scholarship assistance, plus an additional 1 year; or

"(II) repay the amount of the scholarship if the recipient does not teach as described in subclause (I); and

"(ii) the eligible partnership provides an assurance that the eligible partnership will recruit minority students to become highly qualified teachers;

"(B) support services, if needed, to enable scholarship recipients to complete postsecondary education programs, or to transition from a career outside of the field of education into a teaching career; and

"(C) follow-up services for former scholarship recipients during the recipients' initial years of teaching.

"(6) COORDINATION WITH COMMUNITY COLLEGES.—

"(A) TEACHER PREPARATION PROGRAMS.—Coordinating with 2-year institutions of higher education to implement teacher preparation programs, including through distance learning, for the purposes of allowing prospective teachers—

"(i) to obtain a bachelor's degree and State certification or licensure; and

"(ii) to become highly qualified teachers.

"(B) PROFESSIONAL DEVELOPMENT.—Coordinating with 2-year institutions of higher education to provide professional development that—

"(i) improves the academic content knowledge of teachers in the academic 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

"(ii) promotes effective teaching skills.

"(7) CLINICAL EXPERIENCE IN SCIENCE, MATHEMATICS, AND TECHNOLOGY.—Creating opportunities for clinical experience and training for teachers and prospective teachers through participation with professionals in business, research, and work environments in areas relating to science, mathematics, and technology, including opportunities for using laboratory equipment.

"(8) PROFESSIONAL DEVELOPMENT.—Creating opportunities for enhanced and ongoing professional development for experienced general education and

special education teachers, early childhood educators, principals, administrators, and faculty.

"(9) TECHNOLOGY.—The activity described in section 202(e)(9).

"(10) AREAS OF INSTRUCTIONAL SHORTAGE.—Increasing the number of—

"(A) teachers in the classroom providing instruction in high-need academic subject areas (such as reading, mathematics, science, and foreign language, including less commonly taught languages), and high-need areas (such as special education, language instruction educational programs for limited English proficient students, and early childhood education);

"(B) special education faculty dedicated to preparing highly qualified special education teachers at institutions of higher education; and

"(C) faculty at institutions of higher education with expertise in instruction of students who are limited English proficient.

"(11) IMPROVING INSTRUCTION.—Improving instruction by—

"(A) improving understanding and instruction in core academic subjects and other, special-

ized courses, such as geography, American history and government, and world history; and

"(B) creating externships for teachers and prospective teachers for field experience and training through participation in business, research, and work environments in high-need academic subject areas (such as reading, mathematics, science, and foreign language, including less commonly taught languages) and high-need areas (such as special education, language instruction educational programs for limited English proficient students, and early childhood education).

"(12) GRADUATE PROGRAMS.—Developing, in collaboration with departments, programs, or units of both academic content and teacher education within a partner institution, master's degree programs that meet the demonstrated needs of teachers in the high-need local educational agency participating in the eligible partnership for content expertise and teaching skills.

"(13) LITERACY TEACHER TRAINING.—Establishing and implementing a program that strengthens content knowledge and teaching skills of secondary school teachers in literacy that—

"(A) provides teacher training and stipends for literacy coaches who train classroom teachers to implement literacy programs;

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

"(C) provides training and stipends for teachers to tutor students with intense individualized reading, writing, and subject matter instruction during or beyond the school day;

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

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

"(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 part-

nerships 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. 204. ADMINISTRATIVE PROVISIONS.

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

"(1) DURATION.—

"(A) ELIGIBLE STATES.—Grants awarded to eligible States 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) 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 el-

igible 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—

"(A) with respect to grants under section 202, give priority to eligible States—

"(i) that have innovative reforms to hold institutions of higher education with teacher preparation programs accountable

for preparing teachers to become highly qualified and have effective teaching skills;

"(ii) that have innovative efforts aimed at reducing the shortage of highly qualified general and special education teachers, including in low-income urban and rural areas and in high-need academic subject areas (such as reading, mathematics, science, and foreign language, including less commonly taught languages); and

"(iii) whose awards promote an equitable geographic distribution of grants among rural and urban areas; and

"(B) with respect to grants under section 203, give priority—

"(i) to applications from broad-based eligible partnerships that involve businesses and community organizations; and

"(ii) to eligible partnerships so that the awards promote an equitable geographic distribution of grants among rural and urban areas.

"(3) SECRETARIAL SELECTION.—The Secretary shall determine, based on the peer review process, which applications shall receive funding and the

amounts of the grants. In determining 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 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 shall provide, from non-Federal sources (in cash or in kind), an amount equal to 25 percent of the amount of the grant for the first year of the grant, 35 percent of the amount of the grant for the second year of the grant, and 50 percent of the amount 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 use not more than 2 percent of the grant funds for purposes of administering the grant.

"(e) ADDITIONAL ACTIVITIES.—The Secretary shall use funds repaid pursuant to section 202(e)(4)(A)(i)(II) or

section 203(f)(5)(A)(i)(II) to carry out additional activities under section 202 or 203, respectively.

"SEC. 205. 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 and the authorizing committees. Such report shall include a description of the degree to which the eligible State, in using funds provided under such section, has made progress in meeting the purposes of this part and substantial progress in meeting the following goals, as applicable:

"(1) STUDENT ACADEMIC ACHIEVEMENT.—Increasing student academic achievement for all students as defined by the eligible State.

"(2) RAISING STANDARDS.—Raising the State academic standards required to enter the teaching profession as a highly qualified teacher, and where applicable, as a fully competent early childhood educator.

"(3) INITIAL CERTIFICATION OR LICENSURE.—Improving the pass rates and scaled scores for initial State teacher certification or licensure, or increasing the numbers of qualified individuals being certified or licensed as teachers through alternative routes to State certification or licensure programs.

"(4) PERCENTAGE OF HIGHLY QUALIFIED TEACHERS.—Providing data on the progress of the State towards meeting the highly qualified teacher requirements under section 1119(a)(2) of the Elementary and Secondary Education Act of 1965.

"(5) DECREASING TEACHER SHORTAGES.—Decreasing shortages of—

"(A) highly qualified teachers in—

"(i) low-income urban and rural areas;

"(ii) high-need academic subject areas (such as reading, mathematics, science, and foreign language, including less commonly taught languages);

"(iii) special education; and

"(iv) high-need areas (such as special education, language instruction educational programs for limited English proficient students, and early childhood education); and

"(B) fully competent early childhood educators.

"(6) INCREASING OPPORTUNITIES FOR PROFESSIONAL DEVELOPMENT.—Increasing opportunities for enhanced and ongoing professional development that—

"(A) improves the academic content knowledge of teachers in the academic 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

"(B) promotes effective teaching skills.

"(b) ELIGIBLE PARTNERSHIP EVALUATION.—Each eligible partnership submitting an application for a grant under section 203 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;

"(4) the percentage of highly qualified teachers hired by the high-need local educational agency participating in the eligible partnership; and

"(5) the percentage of—

"(A) highly qualified teachers among underrepresented groups, in high-need academic sub-

ject areas (such as reading, mathematics, science, and foreign language, including less commonly taught languages), in high-need areas (such as special education, language instruction educational programs for limited English proficient students, and early childhood education), and in high-need schools;

"(B) elementary school, middle school, and secondary school classes taught by teachers who are highly qualified;

"(C) early childhood education program classes taught by providers who are fully competent; and

"(D) highly qualified special education teachers.

"(c) REVOCATION OF GRANT.—

"(1) ELIGIBLE STATES.—If the Secretary determines that an eligible State is not making substantial progress in meeting the purposes, goals, objectives, and measures, as appropriate, by the end of the second year of a grant under this part, then the grant payment shall not be made for the third year of the grant.

"(2) ELIGIBLE PARTNERSHIPS.—If the Secretary determines that an eligible partnership is not making

substantial progress in meeting the purposes, goals, objectives, and measures, as appropriate, by the end of the third year of a grant under this part, then the grant payments shall not be made for any succeeding year of the grant.

"(d) EVALUATION AND DISSEMINATION.—The Secretary shall evaluate the activities funded under this part and report the Secretary's findings regarding the activities to the authorizing committees. The Secretary shall broadly disseminate—

"(1) successful practices developed by eligible States and eligible partnerships under this part; and

"(2) information regarding such practices that were found to be ineffective.

"SEC. 206. 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 decision making for the purpose of increasing student academic achievement.

"(2) REPORT.—Each eligible partnership receiving a grant under section 203 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 205(b).

"(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 as-

sessments, 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 individuals participating in such routes, or who have completed such routes during the pe-

riod 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, including those areas described in section 205(a)(5).

"(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 decision making 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 States and 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. 207. 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 de-

termined solely by the State and may include criteria based on information collected pursuant to this part. Such assessment shall be described in the report under section 206(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. 208. GENERAL PROVISIONS.

"(a) METHODS.—In complying with sections 206 and 207, the Secretary shall ensure that States and institutions of higher education use fair and equitable methods in reporting and that the reporting methods do not allow identification of individuals.

"(b) SPECIAL RULE.—For each State that does not use content assessments as a means of ensuring that all teachers teaching in core academic subjects within the State are highly qualified not later than the end of the 2005-2006 school year, as required under section 1119 of the Elementary and Secondary Education Act of 1965, 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 such deadline, as required under section 612(a)(14)(C) of the Individuals with Disabilities Education Act,—

"(1) the Secretary shall, to the extent practicable, collect data comparable to the data required under this part from States, local educational agencies, institutions of higher education, or other entities that

administer such assessments to teachers or prospective teachers; and

"(2) notwithstanding any other provision of this part, the Secretary shall use such data to carry out requirements of this part related to assessments, pass rates, and scaled scores.

"(c) LIMITATIONS.—

"(1) 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.

"(2) 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.

"(3) 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.

"(d) RELEASE OF INFORMATION TO TEACHER PREPARATION PROGRAMS.—

"(1) IN GENERAL.—For the purpose of improving teacher preparation programs, a State educational agency 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. 209. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this part such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years, of which—

"(1) 50 percent shall be available for each fiscal year to award grants under section 202; and

"(2) 50 percent shall be available for each fiscal year to award grants under section 203.

"(b) SPECIAL RULE.—If the Secretary determines that there is an insufficient number of meritorious applications for grants under section 202 or 203 to justify awarding the full amount described in paragraph (1) or (2) of subsection (a), respectively, the Secretary may, after funding the meri-

torious applications, use the remaining funds for grants under the other such section.".

TITLE III—INSTITUTIONAL AID

SEC. 301. PROGRAM PURPOSE.

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

(1) in subsection (b)—

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

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

(2) in subsection (c)—

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

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

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

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

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

SEC. 302. DEFINITIONS; ELIGIBILITY.

Section 312 (20 U.S.C. 1058) is amended—

(1) in subsection (b)(1)(A), by striking "subsection (c) of this section" and inserting "subsection (d)"; and

(2) in subsection (d)(2), by striking "subdivision" and inserting "paragraph".

SEC. 303. AMERICAN INDIAN TRIBALLY CONTROLLED COLLEGES AND UNIVERSITIES.

Section 316 (20 U.S.C. 1059c) is amended—

(1) by striking subsection (b)(3) and inserting the following:

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

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

ajo 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).";

(2) in subsection (c)(2)—

(A) in subparagraph (B), by inserting before the semicolon at the end the following: "and the acquisition of real property adjacent to the campus of the institution";

(B) by redesignating subparagraphs (G), (H), (I), (J), (K), and (L) as subparagraphs (H), (I), (J), (K), (L), and (N), respectively;

(C) by inserting after subparagraph (F) the following:

"(G) education or counseling services designed to improve the financial literacy and economic literacy of students or parents of students;";

(D) in subparagraph (L) (as redesignated by subparagraph (B)), by striking "and" after the semicolon;

(E) by inserting after subparagraph (L) (as redesignated by subparagraph (B)) the following:

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

(F) in subparagraph (N) (as redesignated by subparagraph (B)), by striking "subparagraphs (A) through (K)" and inserting "subparagraphs (A) through (M)"; and

(3) by striking subsection (d) and inserting the following:

"(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 Trib-

ally 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. 304. ALASKA NATIVE AND NATIVE HAWAIIAN-SERVING INSTITUTIONS.

Section 317(c)(2) (20 U.S.C. 1059d(c)(2)) is amended—

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

(2) in subparagraph (H), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(I) education or counseling services designed to improve the financial literacy and economic literacy of students or the students' parents.".

SEC. 305. NATIVE AMERICAN-SERVING, NONTRIBAL INSTITUTIONS.

(a) GRANT PROGRAM AUTHORIZED.—Part A of title III (20 U.S.C. 1057 et seq.) is amended by adding at the end the following:

"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.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 399 (20 U.S.C. 1068h) is amended by adding at the end the following:

"(c) MINIMUM GRANT AMOUNT.—The minimum amount of a grant under this title shall be $200,000.".

SEC. 306. PART B DEFINITIONS.

Section 322(4) (20 U.S.C. 1061(4)) is amended by inserting ", in consultation with the Commissioner for Education Statistics" before "and the Commissioner".

SEC. 307. GRANTS TO INSTITUTIONS.

Section 323(a) (20 U.S.C. 1062(a)) is amended—

(1) in the matter preceding paragraph (1), by striking "360(a)(2)" and inserting "399(a)(2)";

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

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

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

SEC. 308. ALLOTMENTS TO INSTITUTIONS.

Section 324 (20 U.S.C. 1063) is amended by adding at the end the following:

"(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. 309. PROFESSIONAL OR GRADUATE INSTITUTIONS.

Section 326 (20 U.S.C. 1063b) is amended—

(1) in subsection (c)—

(A) in paragraph (2), by inserting ", and for the acquisition and development of real property that is adjacent to the campus for such construction, maintenance, renovation, or improvement" after "services";

(B) by redesignating paragraphs (5) through (7) as paragraphs (7) through (9), respectively;

(C) by inserting after paragraph (4) the following:

"(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;";

(D) in paragraph (7) (as redesignated by subparagraph (B)), by striking "establish or improve" and inserting "establishing or improving";

(E) in paragraph (8) (as redesignated by subparagraph (B))—

(i) by striking "assist" and inserting "assisting"; and

(ii) by striking "and" after the semicolon;

(F) in paragraph (9) (as redesignated by subparagraph (B)), by striking the period and inserting "; and"; and

(G) by adding at the end the following:

"(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.";

(2) in subsection (e)—

(A) in paragraph (1)—

(i) by inserting a colon after "the following";

(ii) in subparagraph (Q), by striking "and" at the end;

(iii) in subparagraph (R), by striking the period and inserting a semicolon; and

(iv) by adding at the end the following:

"(S) Alabama State University qualified graduate program;

"(T) Coppin State University qualified graduate program; and

"(U) Prairie View A & M University qualified graduate program.";

(B) in paragraph (2), by inserting "in law or" after "instruction"; and

(C) in paragraph (3)—

(i) by striking "1998" and inserting "2006"; and

(ii) by striking "(Q) and (R)" and inserting "(S), (T), and (U)";

(3) in subsection (f)—

(A) in paragraph (1), by striking "(P)" and inserting "(R)"; and

(B) in paragraph (3)—

(i) by striking subparagraphs (A) and (B) and inserting the following:

"(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.";

(ii) in subparagraph (C), by striking "(or the equivalent) enrolled in the eligible professional or graduate school" and all that follows through the period and inserting "enrolled in the qualified programs or institutions listed in paragraph (1).";

(iii) in subparagraph (D)—

(I) by striking "students" and inserting "Black American students or minority students"; and

(II) by striking "institution" and inserting "institution or program"; and

(iv) by striking subparagraph (E) and inserting the following:

"(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."; and

(4) in subsection (g), by striking "1998" and inserting "2006".

SEC. 310. AUTHORIZATION OF APPROPRIATIONS.

Subsection (a) of section 399 (20 U.S.C. 1068h) is amended to read as follows:

"(a) AUTHORIZATIONS.—

"(1) PART A.—(A) There are authorized to be appropriated to carry out part A (other than section 316) such sums as may be necessary for fiscal year 2006 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 2006 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 2006 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 2006 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 2006 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 2006 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 2006 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 2006 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 2006 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 2006 and each of the 5 succeeding fiscal years.".

SEC. 311. TECHNICAL CORRECTIONS.

Title III (20 U.S.C. 1051 et seq.) is further amended—

(1) in section 342(5)(C) (20 U.S.C. 1066a(5)(C)), by striking ",," and inserting ",";

(2) in section 343(e) (20 U.S.C. 1066b(e)), by inserting "SALE OF QUALIFIED BONDS.—" before "Notwithstanding";

(3) in the matter preceding clause (i) of section 365(9)(A) (20 U.S.C. 1067k(9)(A)), by striking "support" and inserting "supports";

(4) in section 391(b)(7)(E) (20 U.S.C. 1068(b)(7)(E)), by striking "subparagraph (E)" and inserting "subparagraph (D)";

(5) in the matter preceding subparagraph (A) of section 392(b)(2) (20 U.S.C. 1068a(b)(2)), by striking "eligible institutions under part A institutions" and inserting "eligible institutions under part A"; and

(6) in the matter preceding paragraph (1) of section 396 (20 U.S.C. 1068e), by striking "360" and inserting "399".

TITLE IV—STUDENT ASSISTANCE

PART A—GRANTS TO STUDENTS IN ATTENDANCE AT INSTITUTIONS OF HIGHER EDUCATION

SEC. 401. FEDERAL PELL GRANTS.

Section 401 (20 U.S.C. 1070a) is amended—

(1) in subsection (a)(1)—

(A) in the first sentence, by striking "2004" and inserting "2012"; and

(B) in the second sentence, by striking ",," and inserting ",";

(2) in subsection (b)—

(A) by striking paragraph (2)(A) and inserting the following:

"(2)(A) the amount of the Federal Pell Grant for a student eligible under this part shall be—

"(i) $5,100 for academic year 2006–2007;

"(ii) $5,400 for academic year 2007–2008;

"(iii) $5,700 for academic year 2008–2009;

"(iv) $6,000 for academic year 2009–2010; and

"(v) $6,300 for academic year 2010–2011,

less an amount equal to the amount determined to be the expected family contribution with respect to that student for that year.";

(B) by striking paragraph (3);

(C) by redesignating paragraphs (4) through (8) as paragraphs (3) through (7), respectively;

(D) in paragraph (4) (as redesignated by subparagraph (C)), by striking "$400, except" and all that follows through the period and inserting "10 percent of the maximum basic grant level specified in the appropriate Appropriation Act for such academic year, except that a student who is eligible for a Federal Pell Grant in an amount that is equal to or greater than 5 percent of such level but less than 10 percent of such level

shall be awarded a Federal Pell grant in the amount of 10 percent of such level."; and

(E) by striking paragraph (5) (as redesignated by subparagraph (C)) and inserting the following:

"(5) In the case of a student who is enrolled, on at least a half-time basis and for a period of more than 1 academic year in a 2-year or 4-year program of instruction for which an institution of higher education awards an associate or baccalaureate degree, the Secretary shall allow such student to receive not more than 2 Federal Pell Grants during a single award year to permit such student to accelerate the student's progress toward a degree by attending additional sessions. In the case of a student receiving more than 1 Federal Pell Grant in a single award year, the total amount of Federal Pell Grants awarded to such student for the award year may exceed the maximum basic grant level specified in the appropriate Appropriation Act for such award year."; and

(3) in subsection (c), by adding at the end the following:

"(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 the date of enactment of the Higher Education Amendments of 2005.".

SEC. 402. FEDERAL TRIO PROGRAMS.

(a) PROGRAM AUTHORITY; AUTHORIZATION OF APPROPRIATIONS.—Section 402A (20 U.S.C. 1070a–11) is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking "4" and inserting "5";

(ii) by striking subparagraph (A); and

(iii) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(B) by striking paragraph (3) and inserting the following:

"(3) MINIMUM GRANTS.—Unless the institution or agency requests a smaller amount, an individual grant authorized under this chapter shall be awarded

in an amount that is not less than $200,000, except that an individual grant authorized under section 402G shall be awarded in an amount that is not less than $170,000.";

(2) in subsection (c)—

(A) in paragraph (2), by striking "service delivery" and inserting "high quality service delivery, as determined under subsection (f),";

(B) in paragraph (3)(B), by striking "is not required to" and inserting "shall not"; and

(C) in paragraph (5), by striking "campuses" and inserting "different campuses";

(3) in subsection (e), by striking "(g)(2)" each place the term occurs and inserting "(h)(4)";

(4) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively;

(5) by inserting after subsection (e) the following: "(f) OUTCOME CRITERIA.—

"(1) IN GENERAL.—The Secretary, by regulation, shall establish outcome criteria for measuring, annually and for longer periods, the quality and effectiveness of programs authorized under this chapter.

"(2) USE FOR PRIOR EXPERIENCE DETERMINATION.—The outcome criteria under paragraph (1) shall be used 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 in subsection (c)(2), based on the outcome criteria.

"(3) CONSIDERATION OF RELEVANT DATA.—The outcome criteria under this subsection shall take into account data pertaining to secondary school completion, postsecondary education enrollment, and postsecondary education completion for 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.

"(4) CONTENTS OF OUTCOME CRITERIA.—The outcome criteria shall include the following:

"(A) For programs authorized under section 402B, whether 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; and

"(iv) the enrollment of such students in an institution of higher education.

"(B) For programs authorized under section 402C, whether the eligible entity met or exceeded its 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) whether 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) whether 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) whether the applicant met or exceeded the entity's objectives regarding such

students remaining in good academic standing.

"(D) For programs authorized under section 402E, whether 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 attainment of doctoral degrees by former program participants.

"(E) For programs authorized under section 402F, whether 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.";

(6) in subsection (g) (as redesignated by paragraph (4))—

(A) in the first sentence, by striking "$700,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years."; and

(B) by striking the fourth sentence; and

(7) in subsection (h) (as redesignated by paragraph (4))—

(A) by redesignating paragraphs (1) through (4) as paragraphs (3) through (6), respectively;

(B) by inserting before paragraph (3) (as redesignated by subparagraph (A)) the following:

"(1) DIFFERENT CAMPUS.—The term 'different campus' means a site of an institution of higher education that—

"(A) is geographically apart from the main campus of the institution;

"(B) is permanent in nature; and

"(C) offers courses in educational programs leading to a degree, certificate, or other recognized educational credential.

"(2) DIFFERENT POPULATION.—The term 'different population' means a group of individuals, 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.";

(C) in paragraph (5) (as redesignated by subparagraph (A))—

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

(ii) in subparagraph (B), by striking the period at the end and inserting "; or"; and

(iii) by adding at the end the following:

"(C) was a member of a reserve component of the Armed Forces called to active duty for a period of more than 180 days."; and

(D) in paragraph (6), by striking "subparagraph (A) or (B) of paragraph (3)" and inserting "subparagraph (A), (B), or (C) of paragraph (5)".

(b) TALENT SEARCH.—Section 402B (20 U.S.C. 1070a–12) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "to identify qualified youths with potential for education at the postsecondary level and to encourage such youths" and inserting "to encourage eligible youths";

(B) in paragraph (2), by inserting ", and facilitate the application for," after "the availability of"; and

(C) in paragraph (3), by striking ", but who have the ability to complete such programs,

to reenter" and inserting "to enter or reenter, and complete";

(2) by redesignating subsection (c) as subsection (d);

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

"(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 their 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 the 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."; and

(4) in the matter preceding paragraph (1) of subsection (d) (as redesignated by paragraph (2)), by striking "talent search projects under this chapter" and inserting "projects under this section".

(c) UPWARD BOUND.—Section 402C (20 U.S.C. 1070a–13) is amended—

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

"(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, including financial planning for postsecondary education.";

(2) in subsection (c)—

(A) in the subsection heading, by striking "REQUIRED SERVICES" and inserting "ADDITIONAL REQUIRED SERVICES FOR MULTIPLE-YEAR GRANT RECIPIENTS"; and

(B) by striking "upward bound project assisted under this chapter" and inserting "project assisted under this section";

(3) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively;

(4) by inserting after subsection (c) the following:

"(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 institutions 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.";

(5) in the matter preceding paragraph (1) of subsection (e) (as redesignated by paragraph (3)), by striking "upward bound projects under this chapter" and inserting "projects under this section"; and

(6) in subsection (f) (as redesignated by paragraph (3))—

(A) by striking "during June, July, and August" each place the term occurs and inserting "during the summer school recess, for a period not to exceed 3 months"; and

(B) by striking "(b)(10)" and inserting "(d)(5)".

(d) STUDENT SUPPORT SERVICES.—Section 402D (20 U.S.C. 1070a–14) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by striking "and" after the semicolon;

(B) by striking paragraph (3) and inserting the following:

"(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 Assistance Act (42 U.S.C. 11434a)), and students who are in foster care or are aging out of the foster care system."; and

(C) by adding at the end the following:

"(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.";

(2) by redesignating subsections (c) and (d) as subsections (d) and (e);

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

"(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.";

(4) in subsection (d)(1) (as redesignated by paragraph (2)), by striking "subsection (b)" and inserting "subsection (c)"; and

(5) in the matter preceding paragraph (1) of subsection (e) (as redesignated by paragraph (2)), by striking "student support services projects under this chapter" and inserting "projects under this section".

(e) POSTBACCALAUREATE ACHIEVEMENT PROGRAM AUTHORITY.—Section 402E (20 U.S.C. 1070a–15) is amended—

(1) in subsection (b)—

(A) in the subsection heading, by inserting "REQUIRED" before "SERVICES";

(B) in the matter preceding paragraph (1), by striking "A postbaccalaureate achievement project assisted under this section may provide services such as—" and inserting "A project assisted under this section shall provide—";

(C) in paragraph (5), by inserting "and" after the semicolon;

(D) in paragraph (6), by striking the semicolon and inserting a period; and

(E) by striking paragraphs (7) and (8);

(2) by redesignating subsections (c) through (f) as subsections (d) through (g), respectively;

(3) by inserting after subsection (b) the following:

"(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 or their parents, 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.";

(4) in the matter preceding paragraph (1) of subsection (d) (as redesignated by paragraph (2)), by striking "postbaccalaureate achievement";

(5) in the matter preceding paragraph (1) of subsection (f) (as redesignated by paragraph (2)), by striking "postbaccalaureate achievement project" and inserting "project under this section"; and

(6) in subsection (g) (as redesignated by paragraph (2))—

(A) by striking "402A(f)" and inserting "402A(g)"; and

(B) by striking "1993 through 1997" and inserting "2006 through 2010".

(f) EDUCATIONAL OPPORTUNITY CENTERS.—Section 402F (20 U.S.C. 1070a–16) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "and" after the semicolon;

(B) in paragraph (2), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(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."; and

(2) in subsection (b)—

(A) by redesignating paragraphs (5) through (10) as paragraphs (6) through (11), respectively;

(B) by inserting after paragraph (4) the following:

"(5) education or counseling services designed to improve the financial literacy and economic literacy of students;";

(C) by striking paragraph (7) (as redesignated by subparagraph (A)) and inserting the following:

"(7) individualized personal, career, and academic counseling;"; and

(D) by striking paragraph (11) (as redesignated by subparagraph (A)) and inserting the following:

"(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.".

(g) STAFF DEVELOPMENT ACTIVITIES.—Section 402G(b)(3) (20 U.S.C. 1070a–17(b)(3)) is amended by inserting ", 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" before the period at the end.

(h) REPORTS, EVALUATIONS, AND GRANTS FOR PROJECT IMPROVEMENT AND DISSEMINATION.—Section 402H (20 U.S.C. 1070a–18) is amended—

*(1) by striking the section heading and inserting "**REPORTS, EVALUATIONS, AND GRANTS FOR PROJECT IMPROVEMENT AND DISSEMINATION**.";*

(2) by redesignating subsections (a) through (c) as subsections (b) through (d), respectively; and

(3) by inserting before subsection (b) (as redesignated by paragraph (2)) the following:

"(a) REPORT TO CONGRESS.—At least once every 2-year period, the Secretary shall prepare and submit to Congress a report on the outcomes achieved by the programs authorized under this chapter. Such report shall include a statement for the preceding fiscal year specifying—

"(1) the number of grants awarded during each fiscal year, and the number of individuals served by the programs carried out under such grants;

"(2) the number of entities that received grants during the fiscal year, including the number of entities that—

"(A) received a grant to carry out a program under this chapter for the fiscal year; and

"(B) had not received funding for that particular program during the previous grant cycle;

"(3) a comparison of the number and percentage of grant awards made to entities described in paragraph (2), with the number of such entities funded through discretionary grant competitions conducted by the Secretary under this chapter in the 3 grant cycles preceding the fiscal year;

"(4) information on the number of individuals served in each program authorized under this chapter; and

"(5) information on the outcomes achieved by each program authorized under this chapter, including the outcome criteria described in section 402A(f) for each program.".

SEC. 403. GAINING EARLY AWARENESS AND READINESS FOR UNDERGRADUATE PROGRAMS.

(a) EARLY INTERVENTION AND COLLEGE AWARENESS PROGRAM AUTHORIZED.—Section 404A (20 U.S.C. 1070a–21) is amended—

(1) by striking subsection (a) and inserting the following:

"(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.";

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

"(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;"; and

(3) by striking subsection (c)(2) and inserting the following:

"(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.".

(b) REQUIREMENTS.—Section 404B (20 U.S.C. 1070a–22) is amended—

(1) by striking subsection (a) and inserting the following:—

"(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.";

(2) by striking subsections (b), (e), and (f);

(3) by redesignating subsections (c), (d), and (g) as subsections (b), (c), and (d), respectively; and

(4) by adding at the end the following:

"(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.".

(c) APPLICATION.—Section 404C (20 U.S.C. 1070a–23) is amended—

*(1) in the section heading, by striking "**ELIGIBLE ENTITY PLANS**" and inserting "**APPLICATIONS**";*

(2) in subsection (a)—

(A) in the subsection heading, by striking "PLAN" and inserting "APPLICATION";

(B) in paragraph (1)—

(i) by striking "a plan" and inserting "an application"; and

(ii) by striking the second sentence; and

(C) by striking paragraph (2) and inserting the following:

"(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 404A(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 cohort 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 coordinate 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.";

(3) in the matter preceding subparagraph (A) of subsection (b)(1)—

(A) by striking "a plan" and inserting "an application"; and

(B) by striking "such plan" and inserting "such application"; and

(4) in subsection (c)(1), by striking the semicolon at the end and inserting "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;".

(d) ACTIVITIES.—Section 404D (20 U.S.C. 1070a–24) is amended to read as follows:

"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 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 re-

quired 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.".

(e) SCHOLARSHIP COMPONENT.—Section 404E (20 U.S.C. 1070a–25) is amended—

(1) by striking subsections (e) and (f);

(2) by redesignating subsections (b), (c), and (d) as subsections (d), (f), and (g), respectively;

(3) by inserting after subsection (a) the following:

"(b) LIMITATION.—

"(1) IN GENERAL.—Subject to paragraph (2), each eligible entity described in section 404A(c)(1) 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(c), with the remainder of such funds to be used for a scholarship program under this section.

"(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 assistance 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.";

(4) in subsection (d) (as redesignated by paragraph (2)), by striking "the lesser of" and all that follows through the period at the end of paragraph (2) and inserting "the minimum Federal Pell Grant award under section 401 for such award year.";

(5) by inserting after subsection (d) (as redesignated by paragraph (2) and amended by paragraph (4)) the following:

"(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 sub-

mitted 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, after meeting the 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."; and

(6) in subsection (g) (as redesignated by paragraph (2))—

(A) in paragraph (2), by striking "1993" and inserting "2000"; and

(B) in paragraph (4), by striking "early intervention component required under section 404D" and inserting "activities required under section 404D(a)".

(f) REPEAL OF 21ST CENTURY SCHOLAR CERTIFICATES.—Chapter 2 of subpart 2 of part A of title IV (20 U.S.C. 1070a–21 et seq.) is further amended—

(1) by striking section 404F; and

(2) by redesignating sections 404G and 404H as sections 404F and 404G, respectively.

(g) AUTHORIZATION OF APPROPRIATIONS.—Section 404G (as redesignated by subsection (f)) (20 U.S.C. 1070a–28) is amended by striking "$200,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.".

(h) CONFORMING AMENDMENTS.—Chapter 2 of subpart 2 of part A of title IV (20 U.S.C. 1070a–21 et seq.) is further amended—

(1) in section 404A(b)(1), by striking "404H" and inserting "404G";

(2) in section 404B(a)(1), by striking "404H" and inserting "404G"; and

(3) in section 404F(c) (as redesignated by subsection (f)(2)), by striking "404H" and inserting "404G".

SEC. 404. ACADEMIC ACHIEVEMENT INCENTIVE SCHOLARSHIPS.

Chapter 3 of subpart 2 of part A of title IV (20 U.S.C. 1070a-31 et seq.) is repealed.

SEC. 405. FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS.

(a) APPROPRIATIONS AUTHORIZED.—Section 413A(b)(1) (20 U.S.C. 1070b(b)(1)) is amended by striking "$675,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.".

(b) ALLOCATION OF FUNDS.—

(1) ALLOCATION OF FUNDS.—Section 413D (20 U.S.C. 1070b–3) is amended—

(A) by striking subsection (a)(4); and

(B) in subsection (c)(3)(D), by striking "$450" and inserting "$600".

(2) TECHNICAL CORRECTION.—Section 413D(a)(1) (20 U.S.C. 1070b–3(a)(1)) is amended by striking "such institution" and all that follows through the period and inserting "such institution re-

ceived 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).".

SEC. 406. LEVERAGING EDUCATIONAL ASSISTANCE PARTNERSHIP PROGRAM.

(a) APPROPRIATIONS AUTHORIZED.—Section 415A(b)(1) (20 U.S.C. 1070c(b)(1)) is amended to read as follows:

"(1) IN GENERAL.—There are authorized to be appropriated to carry out this subpart such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.".

(b) APPLICATIONS.—Section 415C(b) (20 U.S.C. 1070c–2(b)) is amended—

(1) in the matter preceding subparagraph (A) of paragraph (2), by striking "not in excess of $5,000 per academic year" and inserting "not to exceed the lesser of $12,500 or the student's cost of attendance per academic year"; and

(2) by striking paragraph (10) and inserting the following:

"(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.".

(c) GRANTS FOR ACCESS AND PERSISTENCE.—Section 415E (20 U.S.C. 1070c–3a) is amended to read as follows:

"SEC. 415E. GRANTS FOR ACCESS AND PERSISTENCE.

"(a) PURPOSE.—It is the purpose of this section to expand college access and increase college persistence by making allotments to States to enable the States to—

"(1) expand and enhance partnerships with institutions of higher education, early information and intervention, mentoring, or outreach programs, private corporations, philanthropic organizations, and other interested parties 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 partnerships with nonprofit organizations or community-based organizations in which such organizations match State funds for student scholarships, may apply such matching funds from such organizations toward ful-

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 institu-

tion 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 serv-

ices, 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 students 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 by such State shall be not less than the amount that is equal to the average undergraduate tuition and mandatory fees at 4-year public institutions of higher education in the State where the student resides (less any other Federal or State sponsored grant amount, work study amount, and scholarship amount received by the student), and such amount shall be used toward the cost of attendance at an institution of higher education located in the State.

"(II) COST OF ATTENDANCE.—A State that has a program, apart from the partnership under this section, of providing eligible low-income students with grants that are equal to the average undergraduate tuition and mandatory fees at 4-year public institutions

of higher education in the State, may increase the amount of grants for access and persistence awarded by such State up to an amount that is equal to the average cost of attendance at 4-year public institutions of higher education in the State (less any other Federal or State sponsored grant amount, work study amount, and scholarship amount 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 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 other Federal or State sponsored grant amount, college work study amount, and scholarship amount received by the student), and such amount shall be

used by the student to attend an institution of higher education located in the State.

"(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 stu-

dents' 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 candidacy 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 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 estimation of the total amount of financial aid a

low-income student with a similar income level may expect to receive, including an estimation of the amount of a grant for access and persistence and an estimation of the amount of grants, loans, and all other available types of aid from the major Federal and State financial aid programs;

"(V) an explanation that in order to be eligible for 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 re-

ceipt 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 en-

rollment 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 inter-

vention, 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 2005, 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 2005

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.''.

SEC. 407. SPECIAL PROGRAMS FOR STUDENTS WHOSE FAMILIES ARE ENGAGED IN MIGRANT AND SEASONAL FARMWORK.

Section 418A (20 U.S.C. 1070d–2) is amended—

(1) in subsection (a), by adding ''(including providing outreach and technical assistance)'' after ''maintain and expand'';

(2) in subsection (b)—

(A) in paragraph (1)(B)(i), by striking ''parents'' and inserting ''immediate family'';

(B) in paragraph (3)(B), by inserting ''(including preparation for college entrance examinations)'' after ''college program'';

(C) in paragraph (5), by striking ''weekly'';

(D) in paragraph (7), by striking ''and'' after the semicolon;

(E) in paragraph (8), by striking the period at the end and inserting ''; and''; and

(F) by adding at the end the following:

''(9) other activities to improve persistence and retention in postsecondary education.'';

(3) in subsection (c)—

(A) in paragraph (1)—

(i) in subparagraph (B)—

(I) in the matter preceding clause (i), by inserting "to improve placement, persistence, and retention in postsecondary education" after "services"; and

(II) in clause (i), by striking "and career" and inserting "career, and economic education or personal finance";

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

(iii) by redesignating subparagraph (F) as subparagraph (G); and

(iv) by inserting after subparagraph (E) the following:

"(F) internships; and"; and

(B) in paragraph (2)—

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

(ii) in subparagraph (B), by striking the period at the end and inserting ", and coordinating such services, assistance, and aid with other non-program services, assist-

ance, and aid, including services, assistance, and aid provided by community-based organizations, which may include mentoring and guidance; and"; and

(iii) by adding at the end the following:

"(C) for students attending 2-year institutions of higher education, encouraging the students to transfer to 4-year institutions of higher education, where appropriate, and monitoring the rate of transfer of such students.";

(4) in subsection (e), by striking "section 402A(c)(1)" and inserting "section 402A(c)(2)";

(5) in subsection (f)—

(A) in paragraph (1), by striking "$150,000" and inserting "$180,000"; and

(B) in paragraph (2), by striking "$150,000" and inserting "$180,000"; and

(6) in subsection (h)—

(A) in paragraph (1), by striking "$15,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years."; and

(B) in paragraph (2), by striking "$5,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.".

SEC. 408. ROBERT C. BYRD HONORS SCHOLARSHIP PROGRAM.

(a) ELIGIBILITY OF SCHOLARS.—Section 419F(a) (20 U.S.C. 1070d–36(a)) is amended by inserting "(or a home school, whether treated as a home school or a private school under State law)" after "public or private secondary school".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 419K (20 U.S.C. 1070d–41) is amended by striking "$45,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.".

SEC. 409. CHILD CARE ACCESS MEANS PARENTS IN SCHOOL.

(a) MINIMUM GRANT.—Section 419N(b)(2)(B) (20 U.S.C. 1070e(b)(2)(B)) is amended—

(1) by striking "A grant" and inserting the following:

"(i) IN GENERAL.—Except as provided in clause (ii), a grant"; and

(2) by adding at the end the following:

"(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.".

(b) DEFINITION OF LOW-INCOME STUDENT.—Paragraph (7) of section 419N(b) (20 U.S.C. 1070e(b)) is amended to read as follows:

"(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 fiscal year for which the determination is made; or

"(B) would otherwise be eligible to receive a Federal Pell Grant for the fiscal 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.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 419N(g) (20 U.S.C. 1070e(g)) is amended by striking "$45,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.".

SEC. 410. LEARNING ANYTIME ANYWHERE PARTNERSHIPS.

Subpart 8 of part A of title IV (20 U.S.C. 1070f et seq.) is repealed.

PART B—FEDERAL FAMILY EDUCATION LOAN PROGRAM

SEC. 421. EXTENSION OF AUTHORITIES.

(a) FEDERAL INSURANCE LIMITATIONS.—Section 424(a) (20 U.S.C. 1074(a)) is amended—

(1) by striking "2004" and inserting "2012"; and

(2) by striking "2008" and inserting "2016".

(b) GUARANTEED LOANS.—Section 428(a)(5) (20 U.S.C. 1078(a)(5)) is amended—

(1) by striking "2004" and inserting "2012"; and

(2) by striking "2008" and inserting "2016".

(3) CONSOLIDATION LOANS.—Section 428C(e) (20 U.S.C. 1078–3(e)) is amended by striking "2004" and inserting "2012".

SEC. 422. FEDERAL PAYMENTS TO REDUCE STUDENT INTEREST COSTS.

Section 428 (20 U.S.C. 1078) is amended—

(1) in subsection (b)(1)—

(A) in subparagraph (N)—

(i) in clause (i), by striking "or" after the semicolon; and

(ii) by striking clause (ii) and inserting the following:

"(ii) in the case of a student who is studying outside the United States in a program of study abroad that is approved for credit by the home institution at which such student is enrolled, and only after verification of the student's enrollment by the lender or guaranty agency, are, at the request of the student, disbursed directly to the student by the means described in clause (i), unless such student requests that the

check be endorsed, or the funds transfer be authorized, pursuant to an authorized power-of-attorney; or

"(iii) in the case of a student who is studying outside the United States in a program of study at an eligible foreign institution, are, at the request of the foreign institution, disbursed directly to the student, only after verification of the student's enrollment by the lender or guaranty agency by the means described in clause (i);"; and

(B) in subparagraph (Y)(i)(III), by inserting ", except that, if requested by an institution of higher education, the lender shall confirm such status through use of the National Student Loan Data System" before the semicolon; and

(2) in subsection (c)(2)(H)(i), by striking "preclaims" and inserting "default aversion".

SEC. 423. FEDERAL CONSOLIDATION LOANS.

Section 428C(b)(1) (20 U.S.C. 1078–3(b)(1)) is amended—

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

(2) by redesignating subparagraph (F) as subparagraph (G); and

(3) by inserting after subparagraph (E) the following:

"(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 forgiveness 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 forgiveness; and".

SEC. 424. DEFAULT REDUCTION PROGRAM.

Section 428F (20 U.S.C. 1078–6) is amended by adding at the end the following:

"(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. 425. REQUIREMENTS FOR DISBURSEMENT OF STUDENT LOANS.

Section 428G(e) (20 U.S.C. 1078–7(e)) is amended by striking ", made to a student to cover the cost of attendance at an eligible institution outside the United States".

SEC. 426. REPORTS TO CREDIT BUREAUS AND INSTITUTIONS OF HIGHER EDUCATION.

Section 430A(a) (20 U.S.C. 1080a(a)) is amended—

(1) in the first sentence, by striking "with credit bureau organizations" and inserting "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))";

(2) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (4), and (5), respectively;

(3) by inserting before paragraph (2) (as redesignated by paragraph (2)), the following:

"(1) the type of loan made, insured, or guaranteed under this title;";

(4) by inserting after paragraph (2) (as redesignated by paragraph (2)), the following:

"(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.)";

(5) in paragraph (4) (as redesignated by paragraph (2)), by striking "and" after the semicolon;

(6) in paragraph (5) (as redesignated by paragraph (2)), by striking the period and inserting "; and"; and

(7) by adding at the end the following:

"(6) any other information required to be reported by Federal law.".

SEC. 427. COMMON FORMS AND FORMATS.

Section 432(m)(1)(D)(i) (20 U.S.C. 1082(m)(1)(D)(i)) is amended by adding at the end the following: "Unless otherwise notified by the Secretary, each institution of higher education that participates in the program under this part

or part D may use a master promissory note for loans under this part and part D.".

SEC. 428. STUDENT LOAN INFORMATION BY ELIGIBLE BORROWERS.

Section 433 (20 U.S.C. 1083) is amended by adding at the end the following:

"(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 borrowed 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. 429. CONSUMER EDUCATION INFORMATION.

Part B (20 U.S.C. 1071 et seq.) is amended by inserting after section 433 (20 U.S.C. 1083) the following:

"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 guar-

anty agency or with the Secretary) shall develop and make available a 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. 430. DEFINITION OF ELIGIBLE LENDER.

Section 435(d)(2) (20 U.S.C. 1085(d)(2)) is amended by striking subparagraph (F) and inserting the following:

"(F) shall use the proceeds from special allowance payments, interest payments from borrowers, proceeds from the sale of a loan made, insured, or guaranteed under this part, and all other proceeds related to such a loan that are furnished to the eligible institution or any entity affiliated (directly or indirectly) with the eligible institution, for need based grant programs, except that such payments and proceeds may be

used for reasonable reimbursement for direct administrative expenses;".

SEC. 431. 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.

Section 437 (20 U.S.C. 1087) is amended—

*(1) in the section heading, by striking "**CLOSED SCHOOLS OR FALSELY CERTIFIED AS ELIGIBLE TO BORROW**" and inserting "**SCHOOLS THAT FAIL TO PROVIDE A REFUND, ATTENDING CLOSED SCHOOLS, OR FALSELY CERTIFIED AS ELIGIBLE TO BORROW**"; and*

(2) in the first sentence of subsection (c)(1), by inserting "or was falsely certified as a result of a crime of identity theft" after "falsely certified by the eligible institution".

PART C—FEDERAL WORK-STUDY PROGRAMS

SEC. 441. AUTHORIZATION OF APPROPRIATIONS.

Section 441(b) (42 U.S.C. 2751(b)) is amended by striking "$1,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may

be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.".

SEC. 442. ALLOWANCE FOR BOOKS AND SUPPLIES.

Section 442(c)(4)(D) (42 U.S.C. 2752(c)(4)(D)) is amended by striking "$450" and inserting "$600".

SEC. 443. GRANTS FOR FEDERAL WORK-STUDY PROGRAMS.

Section 443(b)(2) (42 U.S.C. 2753(b)(2)) is amended—

(1) by striking subparagraph (A);

(2) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(3) in subparagraph (A) (as redesignated by paragraph (2)), by striking "this subparagraph if" and all that follows through "institution;" and inserting "this subparagraph if—

"(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 section 441(c) or tutoring and literacy activities described in subsection (d) of this section;".

SEC. 444. JOB LOCATION AND DEVELOPMENT PROGRAMS.

Section 446(a)(1) (42 U.S.C. 2756(a)(1)) is amended by striking "$50,000" and inserting "$75,000".

SEC. 445. WORK COLLEGES.

Section 448 (42 U.S.C. 2756b) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking "under subsection (f)" and inserting "for this section under section 441(b)"; and

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking "pursuant to subsection (f)" and inserting "for this section under section 441(b)";

(ii) by redesignating subparagraphs (C) through (F) as subparagraphs (D) through (G), respectively; and

(iii) by inserting after subparagraph (B) the following:

"(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;";

(2) in subsection (c), by striking "by subsection (f) to use funds under subsection (b)(1)" and inserting "for this section under section 441(b) or to use funds under subsection (b)(1),"; and

(3) by striking subsection (f).

PART D—WILLIAM D. FORD FEDERAL DIRECT LOAN PROGRAM

SEC. 451. FUNDS FOR ADMINISTRATIVE EXPENSES.

Section 458 (20 U.S.C. 1087h) is amended—

(1) in subsection (a)(1), in the matter following subparagraph (B), by striking "$617,000,000" and all that follows through the period and inserting "$904,000,000 in fiscal year 2006, $943,000,000 in fiscal year 2007, $983,000,000 in fiscal year 2008, $1,023,000,000 in fiscal year 2009, $1,064,000,000 in fiscal year 2010, and $1,106,000,000 in fiscal year 2011."; and

(2) in subsection (c)(1), by striking subparagraphs (A) through (E) and inserting the following:

"(A) for fiscal year 2006, shall not exceed $271,000,000;

"(B) for fiscal year 2007, shall not exceed $293,000,000;

"(C) for fiscal year 2008, shall not exceed $315,000,000;

"(D) for fiscal year 2009, shall not exceed $336,000,000;

"(E) for fiscal year 2010, shall not exceed $356,000,000; and

"(F) for fiscal year 2011, shall not exceed $378,000,000.".

PART E—FEDERAL PERKINS LOANS

SEC. 461. PROGRAM AUTHORITY.

Section 461(b) (20 U.S.C. 1087aa(b)) is amended—

(1) in paragraph (1), by striking "$250,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years."; and

(2) in paragraph (2),—

(A) by striking "fiscal year 2003" and inserting "fiscal year 2012"; and

(B) by striking "October 1, 2003" and inserting "October 1, 2012".

SEC. 462. TERMS OF LOANS.

Section 464 (20 U.S.C. 1087dd) is amended—

(1) in subsection (b)(1), by striking "for an additional loan under this part" and inserting "for additional aid under this title"; and

(2) in subsection (e), by striking "written".

SEC. 463. CANCELLATION OF LOANS FOR CERTAIN PUBLIC SERVICE.

Section 465(a) (20 U.S.C. 1087ee(a)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (B), by striking "Head Start Act which" and inserting "Head Start Act, or in a prekindergarten or child care program that is licensed or regulated by the State, that";

(B) in subparagraph (H), by striking "or" after the semicolon;

(C) in subparagraph (I), by striking the period and inserting a semicolon; and

(D) by inserting before the matter following subparagraph (I) (as amended by subparagraph (C)) the following:

"(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."; and

(2) in paragraph (3)(A)(i), by striking "or (I)" and inserting "(I), (J), (K), or (L)".

SEC. 464. FEDERAL CAPITAL CONTRIBUTION RECOVERY.

Section 466 (20 U.S.C. 1087ff) is amended—

(1) in subsection (a)—

(A) by striking "2003" each place it appears and inserting "2011"; and

(B) by striking "2004" and inserting "2012"; and

(2) in subsection (c), by striking "2004" and inserting "2012".

PART F—NEED ANALYSIS

SEC. 471. COST OF ATTENDANCE.

Section 472 (20 U.S.C. 1087ll) is amended—

(1) by striking paragraph (4) and inserting the following:

"(4) for less than half-time students (as determined by the institution), tuition and fees and an allowance for only—

"(A) books, supplies, and transportation (as determined by the institution);

"(B) dependent care expenses (determined in accordance with paragraph (8)); and

"(C) room and board costs (determined in accordance with paragraph (3)), except that a student may receive an allowance for such costs under this subparagraph for not more than 3 semesters or the equivalent, of which not more than 2 semesters or the equivalent may be consecutive;";

(2) in paragraph (11), by striking "and" after the semicolon;

(3) in paragraph (12), by striking the period and inserting "; and"; and

(4) by adding at the end the following:

"(13) at the option of the institution, for a student in a program requiring professional licensure or certification, the one time cost of obtaining the first professional credentials (as determined by the institution).".

SEC. 472. DISCRETION OF STUDENT FINANCIAL AID ADMINISTRATORS.

The third sentence of section 479A(a) (20 U.S.C. 1087tt(a)) is amended—

(1) by inserting "or an independent student" after "family member"; and

(2) by inserting "a change in housing status that results in homelessness," after "under section 487,".

SEC. 473. DEFINITIONS.

(a) DEFINITIONS.—Section 480 (20 U.S.C. 1087vv) is amended—

(1) in subsection (f)—

(A) in paragraph (1), by inserting "qualified education benefits (except as provided in paragraph (3)),'' after "tax shelters,"; and

(B) by adding at the end the following:

"(3) A qualified education benefit shall not be considered an asset of a student for purposes of section 475.

"(4) In determining the value of assets in a determination of need under this title (other than for subpart 4 of part A), the value of a qualified education benefit shall be—

"(A) the refund value of any tuition credits or certificates purchased under a qualified education benefit; and

"(B) in the case of a program in which contributions are made to an account that is established for

the purpose of meeting the qualified higher education expenses of the designated beneficiary of the account, the current balance of such account.

"(5) In this subsection:

"(A) QUALIFIED EDUCATION BENEFIT.—The term 'qualified education benefit' means—

"(i) a qualified tuition program (as defined in section 529(b)(1)(A) of the Internal Revenue Code of 1986) or other prepaid tuition plan offered by a State; and

"(ii) a Coverdell education savings account (as defined in section 530(b)(1) of the Internal Revenue Code of 1986).

"(B) QUALIFIED HIGHER EDUCATION EXPENSES.—The term 'qualified higher education expenses' has the meaning given the term in section 529(e) of the Internal Revenue Code of 1986."; and

(2) in subsection (j)—

(A) in the subsection heading, by striking "; TUITION PREPAYMENT PLANS";

(B) by striking paragraph (2);

(C) by redesignating paragraph (3) as paragraph (2); and

(D) by inserting after paragraph (2) (as redesignated by subparagraph (C)) the following paragraph:

"(3) Notwithstanding paragraph (1) and section 472, assistance not received under this title may be excluded from both estimated financial assistance and cost of attendance, if that assistance is designated by the State providing that assistance to offset a specific component of the cost of attendance. If that assistance is excluded from estimated financial assistance or cost of attendance, that assistance shall be excluded from both calculations.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to determinations of need under part F of title IV for academic years beginning on or after July 1, 2006.

PART G—GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE

SEC. 481. DEFINITIONS.

Section 481 (20 U.S.C. 1088) is amended—

(1) in the second sentence of subsection (a)(2), by inserting "and that measures program length in credit hours or clock hours" after "baccalaureate degree"; and

(2) in subsection (b), by adding at the end the following:

"(3) For purposes of this title, the term 'eligible program' includes an instructional program that utilizes direct assessment of student learning or recognizes the direct assessment of student learning by others, if such assessment is consistent with the accreditation of the institution or program utilizing the results of the assessment, in lieu of credit hours or clock hours as the measure of student learning. In the case of a program being determined eligible for the first time under this paragraph, such determination shall be made by the Secretary before such program is considered to be an eligible program.".

SEC. 482. COMPLIANCE CALENDAR.

Section 482 (20 U.S.C. 1089) is amended by adding at the end the following:

"(e) COMPLIANCE CALENDAR.—Prior to the beginning of each award year, the Secretary shall provide to institutions of higher education a list of all the reports and disclosures required under this Act. The list shall include—

"(1) the date each report or disclosure is required to be completed and to be submitted, made available, or disseminated;

"(2) the required recipients of each report or disclosure;

"(3) any required method for transmittal or dissemination of each report or disclosure;

"(4) a description of the content of each report or disclosure sufficient to allow the institution to identify the appropriate individuals to be assigned the responsibility for such report or disclosure;

"(5) references to the statutory authority, applicable regulations, and current guidance issued by the Secretary regarding each report or disclosure; and

"(6) any other information which is pertinent to the content or distribution of the report or disclosure.".

SEC. 483. FORMS AND REGULATIONS.

Section 483 (20 U.S.C. 1090) is amended—

(1) by striking subsections (a) and (b), and inserting the following:

"(a) COMMON FINANCIAL AID FORM DEVELOPMENT AND PROCESSING.—

"(1) IN GENERAL.—The Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance, shall produce, distribute, and process free of charge common financial reporting forms as described in this subsection to be used 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 and shall be referred to (except as otherwise provided in this subsection) as the 'Free Application for Federal Student Aid', or 'FAFSA'.

"(2) PAPER FORMAT.—

"(A) IN GENERAL.—Subject to subparagraph (C), the Secretary shall produce, distribute, and process common forms in paper format to meet the requirements of paragraph (1). The Secretary shall develop a common paper form for applicants who do not meet the requirements of or do not wish to use the process described in subparagraph (B).

"(B) EZ FAFSA.—

"(i) IN GENERAL.—The Secretary shall develop and use a simplified paper application form, to be known as the 'EZ FAFSA', to be used for applicants meeting the requirements under section 479(c).

"(ii) REDUCED DATA REQUIREMENTS.—The EZ FAFSA shall permit an applicant to submit for purposes of determining financial need and eligibility, only the data elements required to make a determination of student eligibility and whether

the applicant meets the requirements of section 479(c).

"(iii) STATE DATA.—The Secretary shall include on the EZ FAFSA such data items as may be necessary to award State financial assistance, as provided under paragraph (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 PROCESSING.—The provisions of paragraph (6) shall apply to the EZ FAFSA, and the data collected by means of the EZ FAFSA shall be available to institutions of higher education, guaranty agencies, and States in accordance with paragraph (9).

"(v) TESTING.—The Secretary shall conduct appropriate field testing on the EZ FAFSA.

"(C) PHASING OUT THE FULL PAPER FORM FOR STUDENTS WHO DO NOT MEET THE REQUIREMENTS OF THE EZ FAFSA.—

"(i) IN GENERAL.—The Secretary shall make all efforts to encourage all applicants

to utilize the electronic forms described in paragraph (3).

"(ii) PHASEOUT OF FULL PAPER FAFSA.—Not later than 5 years after the date of enactment of the Higher Education Amendments of 2005, to the extent practicable, the Secretary shall phase out the printing of the long paper form created under subparagraph (A) and used by applicants who do not meet the requirements of the EZ FAFSA described in subparagraph (B).

"(iii) AVAILABILITY OF FULL PAPER FAFSA.—

"(I) IN GENERAL.—Both prior to and after the phaseout described in clause (ii), the Secretary shall maintain on the Internet printable versions of the paper forms described in subparagraphs (A) and (B).

"(II) ACCESSIBILITY.—The printable versions described in subclause (I) shall be made easily accessible and downloadable to students on the same Web site used to provide students with

the common electronic forms described in paragraph (3).

"(III) SUBMISSION OF FORMS.—The Secretary shall conduct a study to determine the feasibility of using downloaded forms to ensure sufficient quality to meet the processing requirements of this section. Following the completion of the study, the Secretary shall enable, to the extent practicable, students to submit a form described in this clause that is downloaded from the Internet and printed, in order to meet the filing requirements of this section and to receive financial assistance under this title.

"(iv) USE OF SAVINGS.—

"(I) IN GENERAL.—The Secretary shall utilize any realized savings accrued by phasing out the full paper FAFSA and moving more applicants to the common electronic forms, to improve access to the electronic forms for applicants meeting the requirements of section 479(c).

"(II) REPORT.—The Secretary shall report annually to the authorizing committees on—

"(aa) the steps taken to improve access to the common electronic forms for applicants meeting the requirements of section 479(c); and

"(bb) the phaseout of the long common paper form described in subparagraph (A).

"(3) ELECTRONIC FORMAT.—

"(A) IN GENERAL.—The Secretary shall produce, distribute, and process common forms in electronic format and make such forms available through a broadly accessible website to meet the requirements of paragraph (1). The Secretary shall develop common electronic forms for applicants who do not meet the requirements of subparagraph (B). The Secretary shall include on the common electronic forms space for information that needs to be submitted from the applicant to be eligible for State financial assistance, as provided under paragraph (5), except the Secretary shall not require applicants to complete

data required by any State other than the applicant's State of residence. The Secretary shall use all available technology to ensure that a student using a common electronic form answers only the minimum number of questions necessary.

"(B) SIMPLIFIED ELECTRONIC APPLICATIONS.—

"(i) IN GENERAL.—The Secretary shall develop and use a simplified electronic application form to be used by applicants meeting the requirements of section 479(c) and an additional, separate simplified electronic application form to be used by applicants meeting the requirements under section 479(b).

"(ii) REDUCED DATA REQUIREMENTS.—The simplified electronic application forms shall permit an applicant to submit for purposes of determining financial need and eligibility, only the data elements required to make a determination of student eligibility and whether the applicant meets the requirements of subsection (b) or (c) of section 479.

"(iii) STATE DATA.—The Secretary shall include on the simplified electronic application forms such data items as may be necessary to award State financial assistance, as provided under paragraph (5), except the Secretary shall not require applicants to complete data required by any State other than the applicant's State of residence and shall not include a State's data if such State does not permit its applicants for State assistance to use the simplified electronic application form described in this subparagraph.

"(iv) FREE AVAILABILITY AND PROCESSING.—The provisions of paragraph (6) shall apply to the simplified electronic application forms, and the data collected by means of the simplified electronic application forms shall be available to institutions of higher education, guaranty agencies, and States in accordance with paragraph (9).

"(v) TESTING.—The Secretary shall conduct appropriate field testing on the forms developed under this subparagraph.

"(C) USE OF FORMS.—Nothing in this subsection shall be construed to prohibit the use of the forms developed by the Secretary pursuant to this paragraph by an eligible institution, eligible lender, a guaranty agency, a State grant agency, a private computer software provider, a consortium of such entities, or such other entity as the Secretary may designate. Data collected by the 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 version of the forms shall be used for making final aid awards under this title until such data have been processed by the Secretary or a contractor or designee of the Secretary, except as may be permitted under this title.

"(D) PRIVACY.—The Secretary shall ensure that data collection under this paragraph complies with section 552a of title 5, United States Code, and that any entity using the electronic version of the forms developed by the Secretary pursuant to this paragraph shall maintain reasonable and appropriate administrative, tech-

nical, and physical safeguards to ensure the integrity and confidentiality of the information, and to protect against security threats, or unauthorized uses or disclosures of the information provided on the electronic version of the forms.

"(E) SIGNATURE.—Notwithstanding any other provision of this Act, the Secretary may permit an electronic form under this paragraph to be submitted without a signature, if a signature is subsequently submitted by the applicant or if the applicant uses a personal identification number provided by the Secretary under subparagraph (F).

"(F) PERSONAL IDENTIFICATION NUMBERS AUTHORIZED.—The Secretary is authorized to assign to applicants personal identification numbers—

"(i) to enable the applicants to use such numbers as a signature for purposes of completing a form under this paragraph; and

"(ii) for any purpose determined by the Secretary to enable the Secretary to carry out this title.

"(4) STREAMLINED REAPPLICATION PROCESS.—

"(A) IN GENERAL.—The Secretary shall develop streamlined reapplication forms and processes, including both paper and electronic reapplication processes, consistent with the requirements of this subsection, for an applicant who applies for financial assistance under this title in the next succeeding academic year subsequent to an academic year in which such applicant applied for financial assistance under this title.

"(B) MECHANISMS FOR REAPPLICATION.—The Secretary shall develop appropriate mechanisms to support reapplication.

"(C) IDENTIFICATION OF UPDATED DATA.—The Secretary shall determine, in cooperation with States, institutions of higher education, and agencies and organizations involved in student financial assistance, the data elements that can be updated from the previous academic year's application.

"(D) 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.

"(E) 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 replication form, except that which is necessary to determine eligibility under such section.

"(5) STATE REQUIREMENTS.—

"(A) IN GENERAL.—Except as provided in paragraphs (2)(B)(iii), (3)(A), and (3)(B)(iii), 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, except as provided in paragraphs (2)(B)(iii), (3)(A), and (3)(B)(iii). The number of such data items shall not be less than the number included on the 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 process to determine which data items the States require to award need-based State aid.

"(C) ENCOURAGE USE OF FORMS.—The Secretary shall encourage States to take such steps as are necessary to encourage the use of simplified application forms, including those described in paragraphs (2)(B) and (3)(B), for applicants who meet the requirements of subsection (b) or (c) of section 479.

"(D) FEDERAL REGISTER NOTICE.—The Secretary shall publish, on an annual basis, a notice in the Federal Register requiring States to inform the Secretary—

"(i) if the State plans to use the FAFSA to collect data to determine eligibility for State need-based financial aid;

"(ii) of the State-specific data that the State requires for delivery of State need-based financial aid; and

"(iii) if the State agency is unable to permit applicants to utilize the simplified application forms described in paragraph (2)(B) or (3)(B).

"(E) STATE NOTIFICATION TO THE SECRETARY.—

"(i) IN GENERAL.—Each State agency shall notify the Secretary—

"(I) whether the State permits an applicant to file a form described in paragraph (2)(B) or (3)(B) for purposes of determining eligibility for State need-based financial aid; and

"(II) of the State-specific data that the State requires for delivery of State need-based financial aid.

"(ii) ACCEPTANCE OF FORMS.—If a State does not permit an applicant to file a form described in paragraph (2)(B) or (3)(B) for purposes of determining eligibility for State need-based financial aid, then the State shall notify the Secretary if it is not permitted to do so because of State law or agency policy. The notification shall include an acknowledgment that State-specific questions will not be included on a form described in paragraph (2)(B) or (3)(B).

"(iii) LACK OF NOTIFICATION BY THE STATE.—If a State does not notify the Secretary pursuant to clause (i), the Secretary shall—

"(I) permit residents of that State to complete simplified application forms under paragraphs (2)(B) and (3)(B); and

"(II) not require any resident of such State to complete any data previously required by that State under this section.

"(F) RESTRICTION.—The Secretary shall not require applicants to complete any financial or non-financial data that are not required by the applicant's State, except as may be required for applicants who use the paper forms described in subparagraphs (A) and (B) of paragraph (2).

"(6) CHARGES TO STUDENTS AND PARENTS FOR USE OF FORMS PROHIBITED.—The common financial reporting forms prescribed by the Secretary under this subsection 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. 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 pursuant to this subsection. No student may receive financial assistance under parts A through E (other than under subpart 4 of part A), except by use of a form developed by the Secretary pursuant to this subsection. No data collected on a paper or electronic form or other document that the Secretary determines was created to replace a form prescribed under this subsection and therefore violates the integrity of a simplified and free financial aid application process and for which a fee is charged shall be used to complete the form prescribed under this subsection. No person, commercial entity, or other entity shall request, obtain, or utilize an applicant's personal identification number assigned under paragraph (3)(F) for purposes of submitting an application on an applicant's behalf.

"(7) APPLICATION PROCESSING CYCLE.—The Secretary shall—

"(A) enable students to submit forms created under this subsection in order to meet the filing requirements of this section and in order to receive financial assistance from programs under this title; and

"(B) enable students to submit forms created 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.

"(8) EARLY ESTIMATES.—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, as defined in section 473. Such applicant shall be permitted to update information submitted on a form described in this subsection using the process required under paragraph (4).

"(9) DISTRIBUTION OF DATA.—Institutions of higher education, guaranty agencies, and States shall receive, without charge, the data collected by the Secretary using the form developed pursuant to this subsection for the purposes of processing loan applications and determining need and eligibility for institu-

tional 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.

"(10) 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 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, so-

licit from such organizations and consortia means of improving the support provided by the Secretary.

"(11) 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.";

(2) by redesignating subsections (c) through (e) as subsections (b) through (d), respectively;

(3) in subsection (c) (as redesignated by paragraph (2)), by striking "that is authorized" and all that follows through the period at the end and inserting "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 2005, 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."; and

(4) by striking subsection (d) (as redesignated by paragraph (2)) and inserting the following:

"(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 the common financial reporting forms described in subsection (a) if the preparer satisfies the requirements of this subsection.

"(2) PREPARER IDENTIFICATION.—Any common financial reporting form 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 common financial reporting form.

"(3) ADDITIONAL REQUIREMENTS.—A preparer that provides consultative or preparation services pursuant to this subsection shall—

"(A) clearly inform individuals upon initial contact (including advertising in clear and conspicuous language on the website of the preparer, including by providing a link directly to the website described in subsection (a)(3), if the preparer provides such services through a website) that the common financial reporting

forms that are required to determine eligibility for financial assistance under parts A through E (other than subpart 4 of part A) may be completed for free via paper or electronic forms provided by the Secretary;

"(B) refrain from producing or disseminating any form other than the forms produced by the Secretary under subsection (a); and

"(C) not charge any fee to any individual seeking such 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 common financial reporting forms required to be made under this title who 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.".

SEC. 484. STUDENT ELIGIBILITY.

Section 484 (20 U.S.C. 1091) is amended—

(1) in subsection (d), by adding at the end the following:

"(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.";

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

"(l) COURSES OFFERED THROUGH DISTANCE EDUCATION.—

"(1) RELATION TO CORRESPONDENCE COURSES.—

"(A) IN GENERAL.—A student enrolled in a course of instruction at an institution of higher education that is offered principally through distance education and leads to a recognized certificate, or associate, baccalaureate, or graduate degree, conferred by such institution, shall not be considered to be enrolled in correspondence courses.

"(B) EXCEPTION.—An institution of higher education referred to in subparagraph (A) shall not include an institution or school described in section 3(3)(C) of the Carl D. Perkins 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 distance education 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.—In this subsection, the term 'distance education' has the meaning given the term in section 102."; and

(3) in subsection (r)—

(A) in the matter preceding the table, by inserting "of a controlled substance, while such student is enrolled in an institution of higher edu-

cation and receiving financial assistance under this title," after "the possession";

*(B) in the column heading of the first table, by inserting "**while the student is enrolled in an institution of higher education and receiving financial assistance under this title**" after "**possession of a controlled substance**"; and*

(C) by redesignating paragraph (3) as paragraph (4); and

(D) by inserting after paragraph (2) the following:

"(3) INTERACTION WITH FAFSA.—The Secretary shall not require a student to provide information regarding the student's possession of a controlled substance on the Free Application for Federal Student Aid described in section 483(a).".

SEC. 485. STATUTE OF LIMITATIONS AND STATE COURT JUDGMENTS.

Section 484A (20 U.S.C. 1091a) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking "and" after the semicolon;

(B) in paragraph (2), by striking the period and inserting "; and"; and

(C) by adding at the end the following:

"(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."; and

(2) by adding at the end the following:

"(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. 486. INSTITUTIONAL REFUNDS.

Section 484B (20 U.S.C. 1091B) is amended—

(1) in subsection (a)—

(A) in the matter preceding clause (i) of paragraph (2)(A), by striking "a leave of" and inserting "1 or more leaves of"; and

(B) in paragraph (3)(C)(i), by striking "grant or loan assistance under this title" and inserting "grant assistance under subparts 1 and

3 of part A, or loan assistance under parts B, D, and E,";

(2) in subsection (b), by adding at the end the following:

"(4) TIME FRAME.—Not later than 45 days after the date of an institution's determination that a student withdrew from the institution, the institution shall—

"(A) return the amount required under paragraph (1);

"(B) notify the student of the applicable requirements regarding the overpayment of grant and loan assistance and

"(C) notify the student of the student's eligibility for post-withdrawal disbursements.";

(3) in subsection (c)(2), by striking "may determine the appropriate withdrawal date." and inserting "may determine—

(A) the appropriate withdrawal date; and

"(B) that the requirements of this section do not apply to the student."; and

(4) in subsection (d)(2), by striking "clock hours—" and all that follows through the period and inserting "clock hours scheduled to be completed by

the student in that period as of the day the student withdrew.".

SEC. 487. INSTITUTIONAL AND FINANCIAL ASSISTANCE FOR STUDENTS.

Section 485 (20 U.S.C. 1092) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

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

(ii) in subparagraph (O), by striking the period and inserting a semicolon; and

(iii) by adding at the end the following:

"(P) 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;

"(Q) 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; and

"(R) 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.";

(B) by striking paragraph (4) and inserting the following:

"(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.''; and

(C) by adding at the end the following:

''(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, and by low-income background status as measured by Federal Pell Grant eligibility, 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.'';

(2) in subsection (b), by adding at the end the following:

"(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) the tax benefits for which the borrower may be eligible; and

"(E) the consequences of default.";

(3) in subsection (d)(2)—

(A) by inserting "grant assistance, as well as State" after "describing State"; and

(B) by inserting "and other means, including through the Internet" before the period at the end;

(4) in subsection (e), by striking paragraph (3) and inserting the following:

"(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, full-time, undergraduate students at the institution, 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.";

(5) in the matter preceding subparagraph (A) of subsection (f)(1), by inserting ", other than a foreign institution of higher education," after "under this title"; and

(6) by adding at the end the following:

"(h) TRANSFER OF CREDIT POLICIES.—

"(1) DISCLOSURE.—Each institution of higher education participating in any program under this title shall publicly disclose in a readable and comprehensible manner the 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 that transfer of credit shall not be denied solely on the basis of the agency or association that accredited such other institution of higher education, if that agency or association is recognized by the Secretary pursuant to section 496 to be a reliable authority as to the quality of the education or training offered;

"(B) a list of institutions of higher education with which the institution has established an articulation agreement; and

"(C) the percentage of students at the institution who successfully transfer academic credits, updated on an annual basis.

"(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to—

"(A) 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;

"(B) limit the application of the General Education Provisions Act; or

"(C) 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.".

SEC. 488. NATIONAL STUDENT LOAN DATA SYSTEM.

Section 485B(a) (20 U.S.C. 1092b(a)) is amended—

(1) by redesignating paragraphs (6) through (10) as paragraphs (7) through (11), respectively;

(2) in paragraph (5) (as added by Public Law 101–610), by striking "effectiveness." and inserting "effectiveness;"; and

(3) by redesignating paragraph (5) (as added by Public Law 101–234) as paragraph (6).

SEC. 489. EARLY AWARENESS OF FINANCIAL AID ELIGIBILITY.

Part G of title IV (20 U.S.C. 1088 et seq.) is amended by inserting after section 485C (20 U.S.C. 1092c) the following:

"SEC. 485D. 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 Federal means-tested benefit programs (including the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.), the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), and other such programs 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 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 edu-

cation, 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 2005, the Secretary, in coordination with States, institutions of higher education, early intervention and outreach programs under this title, other agencies and organizations in-

volved 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. 490. COLLEGE ACCESS INITIATIVE.

Part G of title IV (20 U.S.C. 1088 et seq.) is further amended by inserting after section 485D (as added by section 489) the following:

"SEC. 485E. COLLEGE ACCESS INITIATIVE.

"(a) STATE-BY-STATE INFORMATION.—The Secretary shall direct each guaranty agency with which the Secretary

has an agreement under section 428(c) 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 428(c) 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 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 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 422B and to the extent funds remain, from earnings on the restricted account established pursuant to section 422(h)(4).

"(4) RULE OF CONSTRUCTION.—Nothing in this subsection shall require a guaranty agency to duplicate any efforts currently underway that meet the requirements of this subsection.

"(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 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 the date of enactment of the Higher Education Amendments Act of 2005, 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.".

SEC. 491. PROGRAM PARTICIPATION AGREEMENTS.

Section 487 (20 U.S.C. 1094) is amended—

(1) in subsection (a)—

(A) in paragraph (23), by adding at the end the following:

"(D) An 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."; and

(B) by adding at the end the following:

"(24) The institution will, as calculated in accordance with subsection (g)(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 (g)(2).";

(2) in subsection (c)(1)(A)(i), by inserting ", except that the Secretary may modify the requirements of this clause with regard to an institution outside the United States" before the semicolon at the end;

(3) by redesignating subsections (d) and (e) as subsection (e) and (f), respectively;

(4) by inserting after subsection (c) the following:

"(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 for termination 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."; and

(5) by adding at the end the following:

"(g) IMPLEMENTATION OF NONTITLE IV REVENUE REQUIREMENT.—

"(1) CALCULATION.—In carrying out subsection (a)(24), an institution 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 rea-

sonably 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)(24) 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)(24).

"(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)(24).

"(B) FAILURE TO MEET REQUIREMENT FOR 2 YEARS.—An institution that fails to meet the requirements of subsection (a)(24) for 2 consecutive years shall be ineligible to participate in the programs authorized under this title.

"(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)(24) in any year as an institution that is failing to meet the minimum non-Federal source of revenue requirements of such subsection (a)(24).".

SEC. 492. REGULATORY RELIEF AND IMPROVEMENT.

Section 487A(b) (20 U.S.C. 1094a(b)) is amended—

(1) in paragraph (1)–

(A) by striking "1998" and inserting "2005" ; and

(B) by striking "1999" and inserting "2006"; and

(2) by striking the matter preceding paragraph (2)(A) and inserting the following:

"(2) REPORT.—The Secretary shall review and evaluate the experience of institutions participating as experimental sites and shall, on a biennial basis, submit a report based on the review and evaluation

to the authorizing committees. Such report shall include—"; and

(3) in paragraph (3)—

(A) in subparagraph (A)—

(i) by striking "Upon the submission of the report required by paragraph (2), the" and inserting "The"; and

(ii) by inserting "periodically" after "authorized to";

(B) by striking subparagraph (B);

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

(D) in subparagraph (B) (as redesignated by subparagraph (C))—

(i) by inserting ", including requirements related to the award process and disbursement of student financial aid (such as innovative delivery systems for modular or compressed courses, or other innovative systems), verification of student financial aid application data, entrance and exit interviews, or other management procedures or processes as determined in the negotiated rulemaking process under section 492" after "requirements in this title"; and

(ii) by inserting "(other than an award rule related to an experiment in modular or compressed schedules)" after "award rules"; and

(iii) by inserting "unless the waiver of such provisions is authorized by another provision under this title" before the period at the end.

SEC. 493. TRANSFER OF ALLOTMENTS.

Section 488 (20 U.S.C. 1095) is amended in the first sentence—

(1) in paragraph (1), by striking "and" after the semicolon;

(2) in paragraph (2), by striking "413D." and inserting "413D; and"; and

(3) by adding at the end "(3) transfer 25 percent of the institution's allotment under section 413D to the institution's allotment under section 442.".

SEC. 494. WAGE GARNISHMENT REQUIREMENT.

Section 488A(a)(1) (20 U.S.C. 1095a(a)(1)) is amended by striking "10 percent" and inserting "15 percent".

SEC. 495. PURPOSE OF ADMINISTRATIVE PAYMENTS.

Section 489(b) (20 U.S.C. 1096(b)) is amended by striking "offsetting the administrative costs of" and inserting "administering".

SEC. 496. ADVISORY COMMITTEE ON STUDENT FINANCIAL ASSISTANCE.

Section 491 (20 U.S.C. 1098) is amended—

(1) in subsection (a)(2)—

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

(B) in subparagraph (C), by striking the period and inserting a semicolon; and

(C) by adding at the end the following:

"(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.";

(2) in subsection (c), by adding at the end the following:

"(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.".

(3) in subsection (d)(6), by striking ", but nothing" and all that follows through "or analyses";

(4) in subsection (j)—

(A) in paragraph (1)—

(i) by inserting "and simplification" after "modernization" each place the term appears; and

(ii) by striking "including" and all that follows through "Department,"; and

(B) by striking paragraphs (4) and (5) and inserting the following:

"(4) conduct a review and analysis of regulations in accordance with subsection (l); and

"(5) conduct a study in accordance with subsection (m).";

(5) in subsection (k), by striking "2004" and inserting "2010"; and

(6) by adding at the end the following:

"(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 2005 less than $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 Advisory 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 pro-

grams, and regulations for dissemination of information to students about the financial assistance 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 2005, 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, including parents, students, appropriate representatives of secondary schools and institutions of higher education, appropriate State administrators, administrators of dual enrollment programs, and appropriate officials from the Department.

"(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 1 interim report, not later than 1 year after the date of enactment of the Higher Education Amendments of 2005, 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 2005, 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. 497. REGIONAL MEETINGS.

Section 492(a)(1) (20 U.S.C. 1098a(a)(1)) is amended by inserting "State student grant agencies," after "institutions of higher education,".

SEC. 498. YEAR 2000 REQUIREMENTS AT THE DEPARTMENT.

(a) REPEAL.—Section 493A (20 U.S.C. 1098c) is repealed.

(b) REDESIGNATION.—Section 493B (20 U.S.C. 1098d) is redesignated as section 493A.

PART H—PROGRAM INTEGRITY

SEC. 499. RECOGNITION OF ACCREDITING AGENCY OR ASSOCIATION.

Section 496 (200 U.S.C. 1099b) is amended—

(1) in subsection (a)—

(A) by striking paragraph (4) and inserting the following:

"(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, completes and receives the academic credit;";

(B) in paragraph (5), by striking subparagraph (A) and inserting the following:

"(A) success with respect to student achievement in relation to the institution's mission, including—

"(i) consideration of student academic achievement as determined by the institution;

"(ii) student retention;

"(iii) course and program completion;

"(iv) as appropriate, State licensing examinations;

"(v) as appropriate, job placement rates or enrollment in graduate or professional programs; and

"(vi) as appropriate, other student performance information selected by the institution, particularly that information used by the institution to evaluate or strengthen its programs;";

(C) by striking paragraph (6) and inserting the following:

"(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 institu-

tion, at a hearing prior to such action becoming final, before an appeals panel that—

"(i) shall not include current members of the agency or association's underlying decision-making body that made the adverse decision; and

"(ii) is subject to a conflict of interest policy; and

"(D) the right to representation by counsel for such an institution during an appeal of the adverse action;"; and

(D) by striking paragraph (8) and inserting the following:

"(8) such agency or association shall make available to the public and the State licensing or authorizing agency, and submit to the Secretary, a summary of agency or association actions, including—

"(A) the award of accreditation or reaccreditation of an institution;

"(B) final denial, withdrawal, suspension, or termination of accreditation, 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."; and

(2) in subsection (c)—

(A) in paragraph (1), by inserting ", including those regarding distance education" after "their responsibilities";

(B) by redesignating paragraphs (2) through (6) as paragraphs (5) through (9);

(C) by inserting after paragraph (1) (as amended by subparagraph (A)) the following:

"(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.";

(D) in paragraph (8) (as redesignated by subparagraph (B)), by striking "and" after the semicolon;

(E) in subparagraph (9) (as redesignated by subparagraph (B)), by striking the period and inserting "; and"; and

(F) by adding at the end the following:

"(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;

"(B) that do not deny transfer of credit based solely on the accreditation of the sending institution, if the agency or association accrediting the sending institution is recognized by the Secretary pursuant to this section; and

"(C) in which acceptance or denial of transfer of credit is decided according to criteria es-

tablished in guidelines developed by the institution's admissions committee.".

SEC. 499A. ADMINISTRATIVE CAPACITY STANDARD.

Section 498 (20 U.S.C. 1099c) is amended—

(1) in subsection (d)(1)(B), by inserting "and" after the semicolon; and

(2) by adding at the end the following:

"(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. 499B. PROGRAM REVIEW AND DATA.

Section 498A(b) (20 U.S.C. 1099c–1(b)) is amended—

(1) in paragraph (4), by striking "and" after the semicolon;

(2) in paragraph (5) by striking the period and inserting a semicolon; and

(3) by adding at the end the following:

"(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 is reached;

"(7) review and take into consideration an institution of higher education's response in any final program review; 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.".

TITLE V—DEVELOPING INSTITUTIONS

SEC. 501. DEFINITIONS.

Section 502(a) (20 U.S.C. 1101a(a)) is amended—

(1) in paragraph (5)—

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

(B) in subparagraph (B), by striking "; and" and inserting a period; and

(C) by striking subparagraph (C); and

(2) by striking paragraph (7).

SEC. 502. AUTHORIZED ACTIVITIES.

Section 503(b) (20 U.S.C. 1101b(b)) is amended—

(1) by redesignating paragraphs (6) through (14) as paragraphs (8) through (16), respectively;

(2) in paragraph (5), by inserting ", 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" before the period at the end; and

(3) by inserting after paragraph (5) the following:

"(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.".

SEC. 503. DURATION OF GRANT.

Section 504(a) (20 U.S.C. 1101c(a)) is amended to read as follows:

"(a) AWARD PERIOD.—The Secretary may award a grant to a Hispanic-serving institution under this title for 5 years.".

SEC. 504. POSTBACCALAUREATE OPPORTUNITIES FOR HISPANIC AMERICANS.

(a) ESTABLISHMENT OF PROGRAM.—Title V (20 U.S.C. 1101 et seq.) is amended—

(1) by redesignating part B as part C;

(2) by redesignating sections 511 through 518 as sections 521 through 528, respectively; and

(3) by inserting after section 505 the following:

"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 learning academic instruction capabilities, including purchase or rental of telecommunications technology equipment or services.

"(7) Collaboration with other institutions of higher education to expand postbaccalaureate certificate and degree offerings.

"(8) Other activities proposed in the application submitted pursuant to section 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 dem-

onstrate how the grant funds will be used to improve postbaccalaureate 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.".

SEC. 505. APPLICATIONS.

Section 521(b)(1)(A) (as redesignated by section 504(a)(2)) (20 U.S.C. 1103(b)(1)(A)) is amended by striking "subsection (b)" and inserting "subsection (c)".

SEC. 506. COOPERATIVE ARRANGEMENTS.

Section 524(a) (as redesignated by section 504(a)(2)) (20 U.S.C. 1103c(a)) is amended by striking "section 503" and inserting "sections 503 and 512".

SEC. 507. AUTHORIZATION OF APPROPRIATIONS.

Section 528(a) (as redesignated by section 504(a)(2)) (20 U.S.C. 1103g(a)) is amended—

(1) by inserting "part A of" after "carry out";

(2) by striking "$62,500,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.";

(3) by striking "(a) AUTHORIZATIONS.—There are" and inserting the following:

"(a) AUTHORIZATIONS.—

"(1) PART A.—There are"; and

(4) by adding at the end the following:

"(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 2006 and each of the 5 succeeding fiscal years.".

TITLE VI—INTERNATIONAL EDUCATION PROGRAMS

SEC. 601. FINDINGS.

Section 601 (20 U.S.C. 1121) is amended—

*(1) in the section heading, by striking "**AND PURPOSES**" and inserting "**; PURPOSES; CONSULTATION; SURVEY**"*

(2) in subsection (a)(3), by striking "post-Cold War";

(3) in subsection (b)(1)(D), by inserting ", including through linkages with overseas institutions" before the semicolon; and

(4) by adding at the end the following:

"(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 official, or a designee of such head official, of 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, and the Department of Commerce, the Director of National Intelligence, and other relevant agencies. These entities shall provide information to the Secretary regarding how the entities 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 postparticipation placement. All grantees, where applicable, shall administer such survey not less often than annually and report such data to the Secretary.".

SEC. 602. GRADUATE AND UNDERGRADUATE LANGUAGE AND AREA CENTERS AND PROGRAMS.

Section 602 (20 U.S.C. 1122) is amended—

(1) in subsection (a)—

(A) in paragraph (2)—

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

(ii) in subparagraph (H), by striking the period and inserting "; and"; and

(iii) by adding at the end the following:

"(I) support for instructors of the less commonly taught languages."; and

(B) in paragraph (4)—

(i) by redesignating subparagraphs (C) through (E) as subparagraphs (D) through (F), respectively;

(ii) by inserting after subparagraph (B) the following:

"(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."; and

(iii) in subparagraph (F) (as redesignated by clause (i)), by striking "and (D)" and inserting "(D), and (E)";

(2) in subsection (b)—

(A) in the subsection heading, by striking "GRADUATE"; and

(B) by striking paragraph (2) and inserting the following:

"(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.";

(3) by striking subsection (d) and inserting the following:

"(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."; and

(4) by adding at the end the following:

"(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.".

SEC. 603. UNDERGRADUATE INTERNATIONAL STUDIES AND FOREIGN LANGUAGE PROGRAMS.

Section 604 (20 U.S.C. 1124) is amended—

(1) in subsection (a)—

(A) in paragraph (2)—

(i) by redesignating subparagraphs (I) through (M) as subparagraphs (J) through (N), respectively; and

(ii) by inserting after subparagraph (H) the following:

"(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;"; and

(B) in paragraph (7)—

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

(ii) in subparagraph (D), by striking the period at the end and inserting a semicolon; and

(iii) by adding at the end the following:

"(E) 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;

"(F) 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

"(G) a description of how the applicant will encourage government service in areas of national need as identified by the Secretary."; and

(2) in subsection (c)—

(A) by striking "FUNDING SUPPORT.—The Secretary" and inserting "FUNDING RULES.—

"(1) THE SECRETARY.—The Secretary";

(B) by striking "10" and inserting "20"; and

(C) by adding at the end the following:

"(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. 604. RESEARCH; STUDIES.

Section 605(a) (20 U.S.C. 1125(a)) is amended—

(1) in paragraph (8), by striking "and" after the semicolon;

(2) in paragraph (9), by striking the period and inserting a semicolon; and

(3) by adding at the end the following:

"(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. 605. TECHNOLOGICAL INNOVATION AND COOPERATION FOR FOREIGN INFORMATION ACCESS.

Section 606 (20 U.S.C. 1126) is amended—

(1) in subsection (a)—

(A) by striking "new electronic technologies" and insert "electronic technologies";

(B) by inserting "from foreign sources" after "disseminate information";

(C) by striking "AUTHORITY.—The Secretary" and insert "AUTHORITY.—

"(1) IN GENERAL.—The Secretary"; and

(D) by adding at the end the following:

"(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.";

(2) in subsection (b)—

(A) in paragraph (1), by striking "to facilitate access to" and inserting "to acquire, facilitate access to,";

(B) in paragraph (2), by inserting "or standards for" after "means of";

(C) in paragraph (6), by striking "and" after the semicolon;

(D) in paragraph (7), by striking the period and inserting a semicolon; and

(E) by adding at the end the following:

"(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.''; and

(3) in subsection (c), by striking ''institution or consortium'' and inserting ''institution of higher education, library, or consortium''.

SEC. 606. SELECTION OF CERTAIN GRANT RECIPIENTS.

Section 607 (20 U.S.C. 1127) is amended—

(1) in subsection (a), by striking ''evaluates the applications for comprehensive and undergraduate language and area centers and programs.'' and inserting ''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.''; and

(2) in subsection (b), by adding at the end the following: ''The Secretary shall also consider an applicant's record of sending students into public service and an applicant's stated efforts to increase the number of students that go into public service.''.

SEC. 607. AMERICAN OVERSEAS RESEARCH CENTERS.

Section 609 (20 U.S.C. 1128a) is amended by adding at the end the following:

"(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. Each application shall include 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. Each application shall also describe how the applicant will address disputes regarding whether the activities funded under the application reflect diverse perspectives and a wide range of views.".

SEC. 608. AUTHORIZATION OF APPROPRIATIONS FOR INTERNATIONAL AND FOREIGN LANGUAGE STUDIES.

Section 610 (20 U.S.C. 1128b) is amended by striking "$80,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.".

SEC. 609. CENTERS FOR INTERNATIONAL BUSINESS EDUCATION.

Section 612(f) (20 U.S.C. 1130–1(f)) is amended—

(1) in paragraph (3), by striking "and" after the semicolon;

(2) in paragraph (4), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(5) assurances that 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.".

SEC. 610. EDUCATION AND TRAINING PROGRAMS.

Section 613(c) (20 U.S.C. 1130a(c)) is amended by adding at the end the following: "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. 611. AUTHORIZATION OF APPROPRIATIONS FOR BUSINESS AND INTERNATIONAL EDUCATION PROGRAMS.

Section 614 (20 U.S.C. 1130b) is amended—

(1) in subsection (a), by striking "$11,000,000 for fiscal year 1999" and all that follows through "fiscal years" and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years"; and

(2) in subsection (b), by striking "$7,000,000 for fiscal year 1999" and all that follows through "fiscal

years," and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years".

SEC. 612. MINORITY FOREIGN SERVICE PROFESSIONAL DEVELOPMENT PROGRAM.

Section 621 (20 U.S.C. 1131) is amended—

(1) in subsection (c), by adding at the end the following: "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."; and

(2) in subsection (e)—

(A) by striking "MATCH REQUIRED.—The eligible" and inserting "MATCHING FUNDS.—

"(1) IN GENERAL.—Subject to paragraph (2), the eligible"; and

(B) by adding at the end the following:

"(2) WAIVER.—The Secretary may waive the requirement of paragraph (1) for an eligible recipient if the Secretary determines such waiver is appropriate.".

SEC. 613. INSTITUTIONAL DEVELOPMENT.

Section 622 (20 U.S.C. 1131–1) is amended—

(1) in subsection (a)—

(A) by striking "Tribally Controlled Colleges or Universities" and inserting "tribally controlled colleges or universities"; and

(B) by striking "international affairs programs." and inserting "international affairs, international business, and foreign language study programs, including the teaching of foreign languages, at such colleges, universities, and institutions, respectively, through increased collaboration with institutions of higher education that receive funding under this title."; and

(2) in subsection (c)—

(A) by striking paragraphs (1) and (3);

(B) by redesignating paragraphs (2) and (4) as paragraphs (1) and (2), respectively; and

(C) in paragraph (1) (as redesignated by subparagraph (B)), by inserting "and" after the semicolon.

SEC. 614. STUDY ABROAD PROGRAM.

Section 623(a) (20 U.S.C. 1131a(a)) is amended—

(1) by striking "as defined in section 322 of this Act"; and

(2) by striking "tribally controlled Indian community colleges as defined in the Tribally Controlled

Community College Assistance Act of 1978" and inserting "tribally controlled colleges or universities".

SEC. 615. ADVANCED DEGREE IN INTERNATIONAL RELATIONS.

Section 624 (20 U.S.C. 1131b) is amended—

*(1) in the section heading, by striking "**MASTERS**" and inserting "**ADVANCED**";*

(2) in the first sentence, by inserting ", and in exceptional circumstances, a doctoral degree," after "masters degree";

(3) in the second sentence, by striking "masters degree" and inserting "advanced degree"; and

(4) in the fourth sentence, by striking "United States" and inserting "United States.".

SEC. 616. INTERNSHIPS.

Section 625 (20 U.S.C. 1131c) is amended—

(1) in subsection (a)—

(A) by striking "as defined in section 322 of this Act";

(B) by striking "tribally controlled Indian community colleges as defined in the Tribally Controlled Community College Assistance Act of 1978" and inserting "tribally controlled colleges or universities";

(C) by striking "an international" and inserting "international,"; and

(D) by striking "the United States Information Agency" and inserting "the Department of State"; and

(2) in subsection (c)(1)—

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

(B) in subparagraph (F), by striking "; and" and inserting a period; and

(C) by striking subparagraph (G).

SEC. 617. FINANCIAL ASSISTANCE.

Part C of title VI (20 U.S.C. 1131 et seq.) is further amended—

(1) by redesignating sections 626, 627, and 628 as sections 627, 628, and 629, respectively; and

(2) by inserting after section 625 the following:

"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. 618. REPORT.

Section 627 (as redesignated by section 617(1)) (20 U.S.C. 1131d) is amended by striking "annually" and inserting "biennially".

SEC. 619. GIFTS AND DONATIONS.

Section 628 (as redesignated by section 617(1)) (20 U.S.C. 1131e) is amended by striking "annual report described in section 626" and inserting "biennial report described in section 627".

SEC. 620. AUTHORIZATION OF APPROPRIATIONS FOR THE INSTITUTE FOR INTERNATIONAL PUBLIC POLICY.

Section 629 (as redesignated by section 617(1)) (20 U.S.C. 1131f) is amended by striking "$10,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.".

SEC. 621. DEFINITIONS.

Section 631 (20 U.S.C. 1132) is amended—

(1) by redesignating paragraphs (2), (3), (4), (5), (6), (7), (8), and (9), as paragraphs (8), (5), (9), (2), (11), (3), (7), and (4), respectively;

(2) in paragraph (2), as redesignated by paragraph (1), by striking "comprehensive language and area center" and inserting "comprehensive foreign language and area or international studies center";

(3) in paragraph (11), as redesignated by paragraph (1), by striking "undergraduate language and area center" and inserting "undergraduate foreign language and area or international studies center";

(4) in paragraph (3), as redesignated by paragraph (1), by striking the first occurrence of the term "critical languages" and inserting "critical foreign languages";

(5) in paragraph (7), as redesignated by paragraph (1), by striking "and" after the semicolon;

(6) in paragraph (4), as redesignated by paragraph (1), by striking the period at the end and inserting a semicolon;

(7) by inserting after paragraph (5), as redesignated by paragraph (1), the following:

"(6) the term 'historically Black college and university' has the meaning given the term 'part B institution' in section 322;"; and

(8) by inserting after paragraph (9), as redesignated by paragraph (1), the following:

"(10) 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".

SEC. 622. ASSESSMENT AND ENFORCEMENT.

Part D of title VI (20 U.S.C. 1132) is amended by adding at the end the following:

"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, and such complaint is filed with the Department, the Secretary shall be notified, and is authorized, when circumstances warrant, to immediately suspend future funding for the grant pending resolution of such dispute. Such resolution shall not exceed 60 days. The Secretary shall take the outcomes 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 dis-

semination activities relating to the programs authorized under this title.''.

TITLE VII—GRADUATE AND POSTSECONDARY IMPROVEMENT PROGRAMS

SEC. 701. PURPOSE.

Section 700(1)(B)(i) (20 U.S.C. 1133(1)(B)(i)) is amended by inserting '', including those areas critical to United States national and homeland security needs such as mathematics, science, and engineering'' before the semicolon at the end.

SEC. 702. ALLOCATION OF JACOB K. JAVITS FELLOWSHIPS.

Section 702(a)(1) (20 U.S.C. 1134a(a)(1)) is amended to read as follows:

''(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. STIPENDS.

Section 703(a) (20 U.S.C. 1134b(a)) is amended by striking "graduate fellowships" and inserting "Graduate Research Fellowship Program".

SEC. 704. AUTHORIZATION OF APPROPRIATIONS FOR THE JACOB K. JAVITS FELLOWSHIP PROGRAM.

Section 705 (20 U.S.C. 1134d) is amended by striking "$30,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years to carry out this subpart.".

SEC. 705. INSTITUTIONAL ELIGIBILITY UNDER THE GRADUATE ASSISTANCE IN AREAS OF NATIONAL NEED PROGRAM.

Section 712(b) (20 U.S.C. 1135a(b)) is amended to read as follows:

"(b) DESIGNATION OF AREAS OF NATIONAL NEED.—After consultation with appropriate Federal and nonprofit agencies and organizations, including the National Science Foundation, the Department of Defense, the Department of Homeland Security, the National Academy of Sciences, and the Bureau of Labor Statistics, the Secretary shall designate areas of national need. In making such designations, the Secretary shall take into consideration—

"(1) the extent to which the interest in the area is compelling;

"(2) the extent to which other Federal programs support postbaccalaureate study in the area concerned;

"(3) an assessment of how the program may achieve the most significant impact with available resources; and

"(4) an assessment of current and future professional workforce needs of the United States.".

SEC. 706. AWARDS TO GRADUATE STUDENTS.

Section 714 (20 U.S.C. 1135c) is amended—

(1) in subsection (b)—

(A) by striking "1999–2000" and inserting "2006–2007"; and

(B) by striking "graduate fellowships" and inserting "Graduate Research Fellowship Program"; and

(2) in subsection (c)—

(A) by striking "716(a)" and inserting "715(a)"; and

(B) by striking "714(b)(2)" and inserting "713(b)(2)".

SEC. 707. ADDITIONAL ASSISTANCE FOR COST OF EDUCATION.

Section 715(a)(1) (20 U.S.C. 1135d(a)(1)) is amended—

(1) by striking "1999–2000" and inserting "2006–2007"; and

(2) by striking "1998–1999" and inserting "2005–2006".

SEC. 708. AUTHORIZATION OF APPROPRIATIONS FOR THE GRADUATE ASSISTANCE IN AREAS OF NATIONAL NEED PROGRAM.

Section 716 (20 U.S.C. 1135e) is amended by striking "$35,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be nec-

essary for fiscal year 2006 and each of the 5 succeeding fiscal years to carry out this subpart.''.

SEC. 709. AUTHORIZATION OF APPROPRIATIONS FOR THE THURGOOD MARSHALL LEGAL EDUCATIONAL OPPORTUNITY PROGRAM.

Section 721(h) (20 U.S.C. 1136(h)) is amended by striking ''$5,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.''.

SEC. 710. FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION.

Section 741(a) (20 U.S.C. 1138(a)) is amended—

(1) by striking paragraph (3) and inserting the following:

''(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);'';

(2) in paragraph (7), by striking ''and'' after the semicolon;

(3) in paragraph (8), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following:

"(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;

"(10) the creation of consortia that join diverse institutions of higher education for the purpose of integrating curricular and co-curricular interdisciplinary study; and

"(11) providing support and assistance to programs implementing integrated education reform services in order to improve secondary school graduation and college attendance and completion rates for disadvantaged students.".

SEC. 711. SPECIAL PROJECTS.

Section 744(c) (20 U.S.C. 1138c) is amended to read as follows:

"(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. 712. AUTHORIZATION OF APPROPRIATIONS FOR THE FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION.

Section 745 (20 U.S.C. 1138d) is amended by striking "$30,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.".

SEC. 713. REPEAL OF THE URBAN COMMUNITY SERVICE PROGRAM.

Part C of title VII (20 U.S.C. 1139 et seq.) is repealed.

SEC. 714. GRANTS AUTHORIZED FOR DEMONSTRATION PROJECTS TO ENSURE STUDENTS WITH DISABILITIES RECEIVE A QUALITY HIGHER EDUCATION.

Section 762 (20 U.S.C. 1140a) is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) in subparagraph (A), by striking "to teach students with disabilities" and inserting "to teach and meet the academic and programmatic needs of students with disabilities in order to improve retention and completion of postsecondary education";

(ii) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (F), respectively;

(iii) by inserting after subparagraph (A) the following:

"(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.";

(iv) in subparagraph (C), as redesignated by clause (ii), by striking the period at the end and inserting ", 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.";

(v) by inserting after subparagraph (C), as redesignated by clause (ii), the following:

"(D) DISTANCE LEARNING.—The development of innovative and effective teaching methods and strategies to provide faculty and admin-

istrators 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.—Training and providing support to secondary and postsecondary staff to encourage interest in, enhance awareness and understanding of, provide educational opportunities in, teach practical skills related to, and offer work-based opportunities in, disability related fields, among students, including students with disabilities. Such training and support may include developing means to offer students credit-bearing, college-level coursework, and career and educational counseling."; and

(vi) by adding at the end the following:

"(G) ACCESSIBILITY OF EDUCATION.—Making postsecondary education more accessible to students with disabilities through curriculum development."; and

(B) in paragraph (3), by striking "subparagraphs (A) through (C)" and inserting "subparagraphs (A) through (G)"; and

(2) by adding at the end the following:

"(d) REPORT.—The Secretary shall prepare and disseminate a report reviewing the activities of the demonstration projects authorized under this part and providing guidance and recommendations on how successful projects can be replicated.".

SEC. 715. APPLICATIONS FOR DEMONSTRATION PROJECTS TO ENSURE STUDENTS WITH DISABILITIES RECEIVE A QUALITY HIGHER EDUCATION.

Section 763 (20 U.S.C. 1140b) is amended—

(1) by striking paragraph (1) and inserting the following:

"(1) a description of how such institution plans to address the activities allowed under this part;";

(2) in paragraph (2), by striking "and" after the semicolon;

(3) in paragraph (3), by striking the period at the end and inserting "; and"; and

(4) by adding at the end the following:

"(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. 716. AUTHORIZATION OF APPROPRIATIONS FOR THE DEMONSTRATION PROJECTS TO ENSURE STUDENTS WITH DISABILITIES RECEIVE A QUALITY HIGHER EDUCATION.

Section 765 (20 U.S.C. 1140d) is amended by striking "$10,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.".

TITLE VIII—MISCELLANEOUS

SEC. 801. MISCELLANEOUS.

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

"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 completed 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 2006 and each of the 5 succeeding fiscal years.

"PART B—POSTSECONDARY EDUCATION ASSESSMENT

"SEC. 821. 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 2005.

"(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 institu-

tions of higher education during academic year 2000 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. 831. 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 board (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 learning 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 2006 and each of the 5 succeeding fiscal years.

"PART D—GRANT PROGRAM TO INCREASE STUDENT RETENTION AND PROMOTE ARTICULATION AGREEMENTS

"SEC. 841. GRANT PROGRAM TO INCREASE STUDENT RETENTION AND PROMOTE ARTICULATION AGREEMENTS.

"(a) AUTHORIZATION OF PROGRAM.—The Secretary shall award grants, on a competitive basis, to eligible institutions to enable the institutions to—

"(1) focus on increasing traditional and non-traditional student retention at such institutions; and

"(2) promote articulation agreements among different institutions that will increase the likelihood of progression of students at such institutions to baccalaureate degrees.

"(b) DEFINITION OF ELIGIBLE INSTITUTION.—In this section, the term 'eligible institution' means an institution of higher education (as defined in section 101(a)) where not

less than 40 percent of such institution's student body receives financial aid under subpart 1 of part A of title IV.

"(c) APPLICATION.—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, including the number of students proposed to be served and a description of the services that will be provided.

"(d) MANDATORY ACTIVITIES.—An eligible institution that receives a grant under this section shall use the grant funds to carry out each of the following:

"(1) Offering counseling and advisement services to help students adapt to postsecondary education and select appropriate coursework.

"(2) Making mentors available to students who are at risk for not completing a degree.

"(3) Providing detailed assistance to students who request help in understanding—

"(A) the options for financing their education, including information on grants, loans, and loan repayment programs;

"(B) the process of applying for financial assistance;

"(C) the outcome of their financial assistance application; and

"(D) any unanticipated problems related to financing their education that arise.

"(4) Offering tutoring to students at risk of dropping out of school with any course or subject.

"(5) Designing and implementing innovative ways to improve retention in and completion of courses, such as enrolling students in cohorts, providing counseling, or creating bridge programs that customize courses to the needs of special population students.

"(6) Conducting outreach activities so that all students know that these services are available and are aware of how to access the services.

"(7) Creating articulation agreements to promote smooth transition from two year to four year programs.

"(8) Making services listed in paragraphs (1) through (5) available in students' native languages, if it is not English, if the percentage of students needing translation services in a specific language exceeds 5 percent.

"(e) PERMISSIBLE ACTIVITIES.—An eligible institution that receives a grant under this section may use grant funds to carry out any of the following activities:

"(1) Designing innovative course schedules to meet the needs of working adults, such as online, modular, compressed, or other alternative methods.

"(2) Offering childcare during the hours when students have class or are studying.

"(3) Providing transportation assistance to students that helps such students manage their schedules.

"(4) Partnering with local businesses to create flexible work-hour programs so that students can balance work and school.

"(5) Offering time management or financial literacy seminars to help students improve their management skills.

"(6) Improving professional development to align instruction with innovative program designs.

"(7) Any other activities the Secretary believes will promote retention of students attending eligible institutions.

"(f) TECHNICAL ASSISTANCE.—The Secretary may enter into a contract with a private entity to provide such technical assistance to grantees under this section as the Secretary determines appropriate.

"(g) EVALUATION.—The Secretary shall conduct an evaluation of program impacts under the demonstration

program, and shall disseminate to the public the findings from the evaluation and information on best practices.

"(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this and such sums as may be necessary for fiscal year 2006 and each of the 5 succeeding fiscal years.

"PART E—AMERICAN HISTORY FOR FREEDOM

"SEC. 851. 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 term '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 tradi-

tional 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 2006 and each of the 5 succeeding fiscal years.

"PART F—TEACH FOR AMERICA

"SEC. 861. TEACH FOR AMERICA.

"(a) DEFINITIONS.—

"(1) IN GENERAL.—The terms 'highly qualified', 'local educational agency', and 'Secretary' have the meanings 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 2006 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. 871. 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 academic 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 dem-

onstrated 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 faculties, such as mathematics, science, technology, and engineering.

"(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 2006-2007 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 2006 for each of the 5 succeeding fiscal years.

"PART H—STUDY ON COLLEGE ENROLLMENT BY SECONDARY SCHOOLS

"SEC. 881. STUDY ON COLLEGE ENROLLMENT BY SECONDARY SCHOOLS.

"The Secretary shall contract with a not-for-profit organization, with demonstrated expertise in increasing college enrollment rates in low-income communities nationwide, to make publicly available year-to-year college enrollment rate trends by secondary schools, in full compliance with the Family Educational Rights and Privacy Act of 1974 (FERPA).".

TITLE IX—AMENDMENTS TO OTHER LAWS

PART A—EDUCATION OF THE DEAF ACT OF 1986

SEC. 901. LAURENT CLERC NATIONAL DEAF EDUCATION CENTER.

Section 104 of the Education of the Deaf Act of 1986 (20 U.S.C. 4304) is amended—

*(1) by striking the heading and inserting "**LAURENT CLERC NATIONAL DEAF EDUCATION CENTER**";*

(2) in subsection (a)(1)(A), by inserting "the Laurent Clerc National Deaf Education Center (referred to in this section as the 'Clerc Center') to carry out" after "maintain and operate"; and

(3) in subsection (b)—

(A) in the matter preceding subparagraph (A) of paragraph (1), by striking "elementary and secondary education programs" and inserting "Clerc Center";

(B) in paragraph (2), by striking "elementary and secondary education programs" and inserting "Clerc Center"; and

(C) by adding at the end the following:

"(5) The University, for purposes of the elementary and secondary education programs carried out at the Clerc Center, shall—

"(A)(i) 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 2008–2009 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).".

SEC. 902. AGREEMENT WITH GALLAUDET UNIVERSITY.

Section 105(b)(4) of the Education of the Deaf Act of 1986 (20 U.S.C. 4305(b)(4)) is amended—

(1) by striking "the Act of March 3, 1931 (40 U.S.C. 276a–276a–5) commonly referred to as the Davis-Bacon Act" and inserting "subchapter IV of chapter 31 of title 40, United States Code, commonly referred to as the Davis-Bacon Act"; and

(2) by striking "section 2 of the Act of June 13, 1934 (40 U.S.C. 276c)" and inserting "section 3145 of title 40, United States Code".

SEC. 903. AGREEMENT FOR THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.

Section 112 of the Education of the Deaf Act of 1986 (20 U.S.C. 4332) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) in the first sentence—

(I) by striking "an institution of higher education" and inserting "the Rochester Institute of Technology, Rochester, New York"; and

(II) by striking "of a" and inserting "of the"; and

(ii) by striking the second sentence;

(B) by redesignating paragraph (2) as paragraph (3); and

(C) by inserting after paragraph (1) the following:

"(2) 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.”; and

(2) in subsection (b)—

(A) in paragraph (3), by striking “Committee on Education and Labor of the House of Representatives and to the Committee on Labor and Human Resources of the Senate” and inserting “Committee on Education and the Workforce of the House of Representatives and to the Committee on Health, Education, Labor, and Pensions of the Senate”; and

(B) in paragraph (5)—

(i) by striking “the Act of March 3, 1931 (40 U.S.C. 276a–276a–5) commonly referred to as the Davis-Bacon Act” and inserting “subchapter IV of chapter 31 of title 40, United States Code, commonly referred to as the Davis-Bacon Act”; and

(ii) by striking “section 2 of the Act of June 13, 1934 (40 U.S.C. 276c)” and inserting “section 3145 of title 40, United States Code”.

SEC. 904. CULTURAL EXPERIENCES GRANTS.

(a) CULTURAL EXPERIENCES GRANTS.—Title I of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.) is amended by adding at the end the following:

"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 2006 and each of the 5 succeeding fiscal years.".

(b) CONFORMING AMENDMENT.—The title heading of title I of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.) is amended by adding at the end "; OTHER PROGRAMS".

SEC. 905. AUDIT.

Section 203 of the Education of the Deaf Act of 1986 (20 U.S.C. 4353) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking the second sentence and inserting the following: "The institution of higher education that the Secretary has an agreement with under section 112 shall have an annual independent financial and compliance audit made of NTID programs and activities. The audit shall follow the cycle of the Federal fiscal year.";

(B) in paragraph (2), by striking "sections" and all that follows through the period and in-

serting "sections 102(b), 105(b)(4), 112(b)(5), 203(c), 207(b)(2), subsections (c) through (f) of section 207, and subsections (b) and (c) of section 209."; and

(C) in paragraph (3), by inserting "and the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate" after "Secretary"; and

(2) in subsection (c)(2)(A), by striking "Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate" and inserting "Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate".

SEC. 906. REPORTS.

Section 204 of the Education of the Deaf Act of 1986 (20 U.S.C. 4354) is amended—

(1) in the matter preceding paragraph (1), by striking "Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate" and inserting "Committee on Education and the Workforce of the House of Representatives and the Committee on

Health, Education, Labor, and Pensions of the Senate";

(2) in paragraph (1), by striking "preparatory,";

(3) in paragraph (2)(C), by striking "upon graduation/completion" and inserting "on the date that is 1 year after the date of graduation or completion"; and

(4) in paragraph (3)(B), by striking "of the institution of higher education" and all that follows through the period and inserting "of NTID programs and activities.".

SEC. 907. MONITORING, EVALUATION, AND REPORTING.

Section 205 of the Education of the Deaf Act of 1986 (20 U.S.C. 4355) is amended—

(1) in subsection (b), by striking "The Secretary, as part of the annual report required under section 426 of the Department of Education Organization Act, shall include a description of" and inserting "The Secretary shall annually transmit information to Congress on"; and

(2) in subsection (c), by striking "fiscal years 1998 through 2003" and inserting "fiscal years 2006 through 2010".

SEC. 908. LIAISON FOR EDUCATIONAL PROGRAMS.

Section 206(a) of the Education of the Deaf Act of 1986 (20 U.S.C. 4356(a)) is amended by striking "Not later than 30 days after the date of enactment of this Act, the" and inserting "The".

SEC. 909. FEDERAL ENDOWMENT PROGRAMS FOR GALLAUDET UNIVERSITY AND THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.

Section 207(h) of the Education of the Deaf Act of 1986 (20 U.S.C. 4357(h)) is amended by striking "fiscal years 1998 through 2003" each place it appears and inserting "fiscal years 2006 through 2010".

SEC. 910. OVERSIGHT AND EFFECT OF AGREEMENTS.

Section 208(a) of the Education of the Deaf Act of 1986 (20 U.S.C. 4359(a)) is amended by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate".

SEC. 911. INTERNATIONAL STUDENTS.

Section 209 of the Education of the Deaf Act of 1986 (20 U.S.C. 4359a) is amended—

(1) in subsection (a)—

(A) by striking "preparatory, undergraduate," and inserting "undergraduate";

(B) by striking "Effective with" and inserting the following:

"(1) IN GENERAL.—Except as provided in paragraph (2), effective with"; and

(C) by adding at the end the following:

"(2) DISTANCE LEARNING.—International students who participate in distance learning courses that are at NTID or the University and who are residing outside of the United States shall—

"(A) not be counted as international students for purposes of the cap on international students under paragraph (1), except that in any school year no United States citizen who applies to participate in distance learning courses that are at the University or NTID shall be denied participation in such courses because of the participation of an international student in such courses; and

"(B) not be charged a tuition surcharge, as described in subsection (b)."; and

(2) by striking subsections (b), (c), and (d), and inserting the following:

"(b) TUITION SURCHARGE.—Except as provided in subsections (a)(2)(B) and (c), the tuition for postsecondary international students enrolled in the University (including undergraduate and graduate students) or NTID shall include, for academic year 2007–2008 and any succeeding academic year, a surcharge of—

"(1) 100 percent for a postsecondary international student from a non-developing country; and

"(2) 50 percent for a postsecondary international student from a developing country.

"(c) REDUCTION OF SURCHARGE.—

"(1) IN GENERAL.—Beginning with the academic year 2007–2008, the University or NTID may reduce the surcharge—

"(A) under subsection (b)(1) to 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) to 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. 912. RESEARCH PRIORITIES.

Section 210(b) of the Education of the Deaf Act of 1986 (20 U.S.C. 4359b(b)) is amended by striking "Committee on Labor and Human Resources of the Senate" and inserting "Committee on Health, Education, Labor, and Pensions of the Senate".

SEC. 913. AUTHORIZATION OF APPROPRIATIONS.

Section 212 of the Education of the Deaf Act of 1986 (20 U.S.C. 4360a) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by striking "fiscal years 1998 through 2003" and inserting "fiscal years 2006 through 2011"; and

(2) in subsection (b), by striking "fiscal years 1998 through 2003" and inserting "fiscal years 2006 through 2011".

PART B—UNITED STATES INSTITUTE OF PEACE ACT

SEC. 921. UNITED STATES INSTITUTE OF PEACE ACT.

(a) POWERS AND DUTIES.—Section 1705(b)(3) of the United States Institute of Peace Act (22 U.S.C. 4604(b)(3)) is amended by striking "the Arms Control and Disarmament Agency,".

(b) BOARD OF DIRECTORS.—Section 1706 of the United States Institute of Peace Act (22 U.S.C. 4605) is amended—

(1) by striking "(b)(5)" each place the term appears and inserting "(b)(4)"; and

(2) in subsection (e), by adding at the end the following:

"(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.".

(c) FUNDING.—Section 1710 of the United States Institute of Peace Act (22 U.S.C. 4609) is amended by adding at the end the following:

"(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.".

PART C—THE HIGHER EDUCATION AMENDMENTS OF 1998

SEC. 931. REPEALS.

The following provisions of title VIII of the Higher Education Amendments of 1998 (Public Law 105–244) are repealed:

(1) Part A.

(2) Part C (20 U.S.C. 1070 note).

(3) Part F (20 U.S.C. 1862 note).

(4) Part J.

(5) Section 861.

(6) Section 863.

SEC. 932. GRANTS TO STATES FOR WORKPLACE AND COMMUNITY TRANSITION TRAINING FOR INCARCERATED YOUTH OFFENDERS.

Section 821(b) of the Higher Education Amendments of 1998 is amended by striking "25" and inserting "35".

PART D—INDIAN EDUCATION

Subpart 1—Tribal Colleges and Universities

SEC. 941. REAUTHORIZATION OF THE TRIBALLY CONTROLLED COLLEGE OR UNIVERSITY ASSISTANCE ACT OF 1978.

(a) CLARIFICATION OF THE DEFINITION OF NATIONAL INDIAN ORGANIZATION.—Section 2(a)(6) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(a)(6)) is amended by striking "in the field of Indian education" and inserting "in the fields of tribally controlled colleges and universities and Indian higher education".

(b) INDIAN STUDENT COUNT.—Section 2(a) of the Tribally Controlled College or University Assistance Act (25 U.S.C. 1801(a)) is amended—

(1) by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively; and

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

"(7) 'Indian student' means a student who is—

"(A) a member of an Indian tribe; or

"(B) a biological child of a member of an Indian tribe, living or deceased;".

(c) CONTINUING EDUCATION.—Section 2(b) of the Tribally Controlled College or University Assistance Act (25

U.S.C. 1801(b)) is amended by striking paragraph (5) and inserting the following:

"(5) DETERMINATION OF CREDITS.—Eligible credits earned in a continuing education program—

"(A) shall be determined as 1 credit for every 10 contact hours in the case of an institution on a quarter system, or 15 contact hours in the case of an institution on a semester system, of participation in an organized continuing education experience under responsible sponsorship, capable direction, and qualified instruction, as described in the criteria established by the International Association for Continuing Education and Training; and

"(B) shall be limited to 10 percent of the Indian student count of a tribally controlled college or university.".

(d) ACCREDITATION REQUIREMENT.—Section 103 of the Tribally Controlled College or University Assistance Act (25 U.S.C. 1804) is amended—

(1) in paragraph (2), by striking "and" at the end;

(2) in paragraph (3), by striking the period at the end and inserting "; and"; and

(3) by inserting after paragraph (3), the following:

"(4)(A) is accredited by a nationally recognized accrediting agency or association determined by the Secretary of Education to be a reliable authority with regard to the quality of training offered; or

"(B) is, according to such an agency or association, making reasonable progress toward accreditation.".

(e) TECHNICAL ASSISTANCE CONTRACT AWARDS.—Section 105 of the Tribally Controlled College or University Assistance Act (25 U.S.C. 1805) is amended in the second sentence by striking "In the awarding of contracts for technical assistance, preference shall be given" and inserting "The Secretary shall direct that contracts for technical assistance be awarded".

(f) TITLE I REAUTHORIZATION.—Section 110(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1810(a)) is amended—

(1) in paragraphs (1), (2), (3), and (4), by striking "1999" and inserting "2006";

(2) in paragraphs (1), (2), and (3), by striking "4 succeeding" and inserting "5 succeeding";

(3) in paragraph (2), by striking "$40,000,000" and inserting "such sums as may be necessary";

(4) in paragraph (3), by striking "$10,000,000" and inserting "such sums as may be necessary"; and

(5) in paragraph (4), by striking "succeeding 4" and inserting "5 succeeding".

(g) TITLE III REAUTHORIZATION.—Section 306(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1836(a)) is amended—

(1) by striking "1999" and inserting "2006"; and

(2) by striking "4 succeeding" and inserting "5 succeeding".

(h) TITLE IV REAUTHORIZATION.—Section 403 of the Tribal Economic Development and Technology Related Education Assistance Act of 1990 (25 U.S.C. 1852) is amended—

(1) by striking "$2,000,000 for fiscal year 1999" and inserting "such sums as may be necessary for fiscal year 2006"; and

(2) by striking "4 succeeding" and inserting "5 succeeding".

Subpart 2—Navajo Higher Education

SEC. 945. SHORT TITLE.

This subpart may be cited as the "Navajo Nation Higher Education Act of 2005".

SEC. 946. REAUTHORIZATION OF NAVAJO COMMUNITY COLLEGE ACT.

(a) PURPOSE.—Section 2 of the Navajo Community College Act (25 U.S.C. 640a) is amended—

(1) by striking "Navajo Tribe of Indians" and inserting "Navajo Nation"; and

(2) by striking "the Navajo Community College" and inserting "Diné College".

(b) GRANTS.—Section 3 of the Navajo Community College Act (25 U.S.C. 640b) is amended—

(1) in the first sentence—

(A) by inserting "the" before "Interior";

(B) by striking "Navajo Tribe of Indians" and inserting "Navajo Nation"; and

(C) by striking "the Navajo Community College" and inserting "Diné College"; and

(2) in the second sentence—

(A) by striking "Navajo Tribe" and inserting "Navajo Nation"; and

(B) by striking "Navajo Indians" and inserting "Navajo people".

(c) STUDY OF FACILITIES NEEDS.—Section 4 of the Navajo Community College Act (25 U.S.C. 640c) is amended—

(1) in subsection (a)—

(A) in the first sentence—

(i) by striking "the Navajo Community College" and inserting "Diné College"; and

(ii) by striking "August 1, 1979" and inserting "October 31, 2009"; and

(B) in the second sentence, by striking "Navajo Tribe" and inserting "Navajo Nation";

(2) in subsection (b), by striking "the date of enactment of the Tribally Controlled Community College Assistance Act of 1978" and inserting "October 1, 2006"; and

(3) in subsection (c), in the first sentence, by striking "the Navajo Community College" and inserting "Diné College".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 5 of the Navajo Community College Act (25 U.S.C. 640c–1) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "$2,000,000" and all that follows through the end of the paragraph and inserting "such sums as are necessary for fiscal years 2006 through 2011."; and

(B) by adding at the end the following:

"(3) Sums described in paragraph (2) shall be used to provide grants for construction activities, including the

construction of buildings, water and sewer facilities, roads, information technology and telecommunications infrastructure, classrooms, and external structures (such as walkways).";

(2) in subsection (b)(1)—

(A) in the matter preceding subparagraph (A)—

(i) by striking "the Navajo Community College" and inserting "Diné College"; and

(ii) by striking ", for each fiscal year" and all that follows through "for—" and inserting "such sums as are necessary for fiscal years 2006 through 2011 to pay the cost of—";

(B) in subparagraph (A)—

(i) by striking "college" and inserting "College";

(ii) in clauses (i) and (iii), by striking the commas at the ends of the clauses and inserting semicolons; and

(iii) in clause (ii), by striking ", and" at the end and inserting "; and";

(C) in subparagraph (B), by striking the comma at the end and inserting a semicolon;

(D) in subparagraph (C), by striking ", and" at the end and inserting a semicolon;

(E) in subparagraph (D), by striking the period at the end and inserting "; and"; and

(F) by adding at the end the following:

"(E) improving and expanding the College, including by providing, for the Navajo people and others in the community of the College—

"(i) higher education programs;

"(ii) vocational and technical education;

"(iii) activities relating to the preservation and protection of the Navajo language, philosophy, and culture;

"(iv) employment and training opportunities;

"(v) economic development and community outreach; and

"(vi) a safe learning, working, and living environment."; and

(3) in subsection (c), by striking "the Navajo Community College" and inserting "Diné College".

(e) EFFECT ON OTHER LAWS.—Section 6 of the Navajo Community College Act (25 U.S.C. 640c–2) is amended—

(1) by striking "the Navajo Community College" each place it appears and inserting "Diné College"; and

(2) in subsection (b), by striking "college" and inserting "College".

(f) PAYMENTS; INTEREST.—Section 7 of the Navajo Community College Act (25 U.S.C. 640c–3) is amended by striking "the Navajo Community College" each place it appears and inserting "Diné College".

TITLE X—RECONCILIATION

PART A—EDUCATION PROVISIONS

SEC. 1001. PROVISIONAL GRANT ASSISTANCE PROGRAM.

(a) AMENDMENT.—Subpart 1 of part A of title IV (20 U.S.C. 1070a) is amended by adding at the end the following:

"SEC. 401A. PROVISIONAL GRANT ASSISTANCE PROGRAM.

"(a) GRANTS.—

"(1) IN GENERAL.—From amounts appropriated under subsection (e) for a fiscal year and subject to subsection (b), the Secretary shall award grants to students (which shall be known as 'ProGAP awards') in the same manner as the Secretary awards grants to students under section 401, except that—

"(A) at the beginning of each award year, the Secretary shall establish a maximum and

minimum award level based on amounts made available under subsection (e);

"(B) the Secretary shall only award grants under this section to students eligible for a grant under section 401 for the award year; and

"(C) when determining eligibility for the awards, the Secretary shall consider only those students who are eligible for a grant under section 401, as of June 30 of the award year for which the determination is made.

"(2) STUDENTS WITH THE GREATEST NEED.—The Secretary shall ensure grants are awarded under this section to students with the greatest need as determined in accordance with section 471.

"(b) COST OF ATTENDANCE LIMITATION.—A grant awarded under this section for an award year shall be awarded in an amount that does not exceed—

"(1) the student's cost of attendance for the award year; less

"(2) an amount equal to the expected family contribution for that student for the award year.

"(c) SUPPLEMENT NOT SUPPLANT.—Grants awarded from funds made available under subsection (e) shall be used to supplement, and not supplant, other Federal, State, or institutional grant funds.

"(d) USE OF EXCESS FUNDS.—

"(1) 15 PERCENT OR LESS.—If, at the end of a fiscal year, the funds available for making grant payments under this section exceed the amount necessary to make the grant payments required under this section to eligible students by 15 percent or less, then all of the excess funds shall remain available for making grant payments under this section during the next succeeding fiscal year.

"(2) MORE THAN 15 PERCENT.—If, at the end of a fiscal year, the funds available for making grant payments under this section exceed the amount necessary to make the grant payments required under this section to eligible students by more than 15 percent, then all of such funds shall remain available for making such grant payments but grant payments may be made under this paragraph only with respect to awards for that fiscal year.

"(e) AUTHORIZATION AND APPROPRIATION OF FUNDS.—There are authorized to be appropriated, and there are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Education to carry out this section and section 401B—

"(1) $1,897,000,000 for fiscal year 2006;

"(2) $1,901,000,000 for fiscal year 2007;

"(3) $1,899,000,000 for fiscal year 2008;

"(4) $1,898,000,000 for fiscal year 2009; and

"(5) $1,897,000,000 for fiscal year 2010.

"(f) SUNSET PROVISION.—This section shall be effective with respect to amounts appropriated for fiscal year 2006 and each of the 4 succeeding fiscal years.".

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the amounts appropriated to carry out sections 401A and 401B of the Higher Education Act of 1965 are the result of the savings generated by the amendments made by this part.

SEC. 1002. NATIONAL SMART GRANTS.

Subpart 1 of part A of title IV (20 U.S.C. 1070a) is further amended by adding after section 401A (as added by section 1001):

"SEC. 401B. NATIONAL SMART GRANTS.

"(a) FINDINGS.—Congress makes the following findings:

"(1) If the United States is to remain a world leader in the global economy, its college students must have the training they need to compete for the best jobs of the 21st century.

"(2) The United States intelligence community faces major shortages in foreign languages critical to

national security, and will also require major incentives to fill projected workforce needs.

"(3) Increasingly, the best jobs of the 21st century will require baccalaureate degrees in the sciences, mathematics, technology, engineering, and foreign languages critical to national security, or be generated by people who have such degrees.

"(4) Congress should establish a National Science and Mathematics Access to Retain Talent (SMART) grant program to meet the goals described in paragraphs (1) through (3).

"(b) PURPOSE.—The purpose of this section is to increase the number of postsecondary students from low-income backgrounds who are enrolled in studies leading to baccalaureate degrees in physical, life, or computer sciences, mathematics, technology, engineering, and foreign languages critical to national security.

"(c) GRANTS AUTHORIZED.—From amounts appropriated under section 401A(c) for a fiscal year, the Secretary shall award grants to eligible students to assist the eligible students in paying their college education expenses.

"(d) DESIGNATION.—A grant under this section shall be known as a 'National Science and Mathematics Access to Retain Talent Grant' or a 'National SMART Grant'.

"(e) DEFINITION OF ELIGIBLE STUDENT.—In this section the term 'eligible student' means a student who, for the academic year for which the determination is made—

"(1) is eligible for a Federal Pell Grant; and

"(2) is in the student's 3rd or 4th year at an institution of higher education majoring in—

"(A) mathematics, science, technology, or engineering (as determined by the Secretary pursuant to regulations); or

"(B) 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.

"(f) GRANT AMOUNT.—The Secretary shall award a grant under this section in an amount that does not exceed $1,500 for an academic year.

"(g) FUNDING RULE.—The Secretary shall use not more than $450,000,000 of the funds appropriated under section 401A(c) for each of the fiscal years 2006 through 2010 to carry out this section.

"(h) UNOBLIGATED FUNDS AVAILABLE FOR FEDERAL GRANT ASSISTANCE.—The Secretary shall make any funds made available under subsection (g) for a fiscal year that remain unobligated at the end of the fiscal year available to carry out section 401A.

"(i) MATCHING ASSISTANCE.—An institution of higher education may, from funds provided from private sources, provide additional assistance to a student receiving a grant under this section, except that the total assistance provided under this title to a student shall not exceed the student's cost of attendance.".

SEC. 1003. LOAN LIMITS.

(a) FEDERAL INSURANCE LIMITS.—Section 425(a)(1)(A) (20 U.S.C. 1075(a)(1)(A)) is amended—

(1) in clause (i)(I), by striking "$2,625" and inserting "$3,500"; and

(2) in clause (ii)(I), by striking "$3,500" and inserting "$4,500".

(b) GUARANTEE LIMITS.—Section 428(b)(1)(A) (20 U.S.C. 1078(b)(1)(A)) is amended—

(1) in clause (i)(I), by striking "$2,625" and inserting "$3,500"; and

(2) in clause (ii)(I), by striking "$3,500" and inserting "$4,500".

(c) FEDERAL PLUS LOANS.—Section 428B (20 U.S.C. 1078–2) is amended—

(1) in subsection (a)(1)—

(A) in the matter preceding subparagraph (A), by striking "Parents" and inserting "A graduate or professional student or the parents";

(B) in subparagraph (A), by striking "the parents" and inserting "the graduate or professional student or the parents"; and

(C) in subparagraph (B), by striking "the parents" and inserting "the graduate or professional student or the parents";

(2) in subsection (b), by striking "any parent" and inserting "any graduate or professional student or any parent";

(3) in subsection (c)(2), by striking "parent" and inserting "graduate or professional student or parent"; and

(4) in subsection (d)(1), by striking "the parent" and inserting "the graduate or professional student or the parent".

(d) UNSUBSIDIZED STAFFORD LOANS FOR GRADUATE OR PROFESSIONAL STUDENTS.—Section 428H(d)(2) (20 U.S.C. 1078–8(d)(2)) is amended—

(1) in subparagraph (C), by striking "$10,000" and inserting "$12,000"; and

(2) in subparagraph (D)—

(A) in clause (i), by striking "$5,000" and inserting "$7,000"; and

(B) in clause (ii), by striking "$5,000" and inserting "$7,000".

SEC. 1004. PLUS LOAN INTEREST RATES AND ZERO SPECIAL ALLOWANCE PAYMENT.

(a) PLUS LOANS.—Section 427A(l)(2) (20 U.S.C. 1077a(l)(2)) is amended by striking "7.9 percent" and inserting "8.5 percent".

(b) CONFORMING AMENDMENTS FOR SPECIAL ALLOWANCES.—

(1) AMENDMENTS.—Subparagraph (I) of section 438(b)(2) (20 U.S.C. 1087–1(b)(2)) is amended—

(A) in clause (iv), by striking ", subject to clause (vi) of this subparagraph";

(B) in clause (v), by striking "July 1, 2006" each place it appears and inserting "April 1, 2006"; and

(C) by striking clauses (vi) and (vii) and inserting the following:

"(vi) RECAPTURE OF EXCESS INTEREST.—

"(I) EXCESS CREDITED.—With respect to a loan on which the applicable interest rate is determined under subsection (k) or (l) of section 427A and for which the first disbursement of principal is made on or after April 1, 2006, if the applicable interest rate for any 3-month period exceeds the special

allowance support level applicable to such loan under this subparagraph for such period, then an adjustment shall be made by calculating the excess interest in the amount computed under subclause (II) of this clause, and by crediting the excess interest to the Government not less often than annually.

"(II) CALCULATION OF EXCESS.—The amount of any adjustment of interest on a loan to be made under this subsection for any quarter shall be equal to—

"(aa) the applicable interest rate minus the special allowance support level determined under this subparagraph; multiplied by

"(bb) the average daily principal balance of the loan (not including unearned interest added to principal) during such calendar quarter; divided by

"(cc) four.

"(III) SPECIAL ALLOWANCE SUPPORT LEVEL.—For purposes of this

clause, the term 'special allowance support level' means, for any loan, a number expressed as a percentage equal to the sum of the rates determined under subclauses (I) and (III) of clause (i), and applying any substitution rules applicable to such loan under clauses (ii), (iii), and (iv) in determining such sum.".

(2) EFFECTIVE DATE.—The amendments made by this subsection shall not apply with respect to any special allowance payment made under section 438 of the Higher Education Act of 1965 (20 U.S.C 1087–1) before April 1, 2006.

SEC. 1005. REDUCTION OF LENDER INSURANCE REIMBURSEMENT RATES.

(a) AMENDMENT.—Subparagraph (G) of section 428(b)(1) (20 U.S.C. 1078(b)(1)) is amended to read as follows:

"(G) insures 97 percent of the unpaid principal of loans insured under the program;".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to any loan made, insured, or guaranteed under part B of title IV of the Higher

Education Act of 1965 (20 U.S.C. 1071 et seq.) for which the first disbursement is made on or after January 1, 2006.

SEC. 1006. GUARANTY AGENCY ORIGINATION FEE.

(a) AMENDMENT.—Section 428(b)(1)(H) (20 U.S.C. 1078(b)(1)(H)) is amended to read as follows:

"(H) provides for the collection, and the deposit in the Federal Fund established under section 422A(a), of a guaranty agency origination fee of 1.0 percent of each disbursement of the proceeds of the loan, which fee may be provided from funds in the guaranty agency's operating fund under section 422B or from other non-Federal funds;".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall be effective with respect to any loan disbursed under part B of title IV of the Higher Education Act of 1965 on or after April 1, 2006.

SEC. 1007. DEFERMENT OF STUDENT LOANS FOR MILITARY SERVICE.

(a) FEDERAL FAMILY EDUCATION LOANS.—Section 428(b)(1)(M) (20 U.S.C. 1078(b)(1)(M)) is amended—

(1) by striking "or" at the end of clause (ii);

(2) by redesignating clause (iii) as clause (iv); and

(3) by inserting after clause (ii) the following new clause:

"(iii) not in excess of 3 years during which the borrower—

"(I) is serving on active duty during a war or other military operation or national emergency; or

"(II) is performing qualifying National Guard duty during a war or other military operation or national emergency; or".

(b) DIRECT LOANS.—Section 455(f)(2) (20 U.S.C. 1087e(f)(2)) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following new subparagraph:

"(C) not in excess of 3 years during which the borrower—

"(i) is serving on active duty during a war or other military operation or national emergency; or

"(ii) is performing qualifying National Guard duty during a war or other military operation or national emergency; or".

(c) PERKINS LOANS.—Section 464(c)(2)(A) (20 U.S.C. 1087dd(c)(2)(A)) is amended—

(1) by redesignating clauses (iii) and (iv) as clauses (iv) and (v), respectively; and

(2) by inserting after clause (ii) the following new clause:

"(iii) not in excess of 3 years during which the borrower—

"(I) is serving on active duty during a war or other military operation or national emergency; or

"(II) is performing qualifying National Guard duty during a war or other military operation or national emergency;".

(d) DEFINITIONS.—Section 481 (20 U.S.C. 1088) is amended by adding at the end the following new subsection:

"(d) DEFINITIONS FOR MILITARY DEFERMENTS.—For purposes of parts B, D, and E of this title:

"(1) ACTIVE DUTY.—The term 'active duty' has the meaning given such term in section 101(d)(1) of title 10, United States Code, except that such term does not include active duty for training or attendance at a service school.

"(2) MILITARY OPERATION.—The term 'military operation' means a contingency operation as such term is defined in section 101(a)(13) of title 10, United States Code.

"(3) NATIONAL EMERGENCY.—The term 'national emergency' means the national emergency by reason of certain terrorist attacks declared by the President on September 14, 2001, or subsequent national emergencies declared by the President by reason of terrorist attacks.

"(4) SERVING ON ACTIVE DUTY.—The term 'serving on active duty during a war or other military operation or national emergency' means service by an individual who is—

"(A) a Reserve of an Armed Force ordered to active duty under section 12301(a), 12301(g), 12302, 12304, or 12306 of title 10, United States Code, or any retired member of an Armed Force ordered to active duty under section 688 of such title, for service in connection with a war or other military operation or national emergency, regardless of the location at which such active duty service is performed; and

"(B) any other member of an Armed Force on active duty in connection with such emer-

gency or subsequent actions or conditions who has been assigned to a duty station at a location other than the location at which such member is normally assigned.

"(5) QUALIFYING NATIONAL GUARD DUTY.—The term 'qualifying National Guard duty during a war or other military operation or national emergency' means service as a member of the National Guard on full-time National Guard duty (as defined in section 101(d)(5) of title 10, United States Code) under a call to active service authorized by the President or the Secretary of Defense for a period of more than 30 consecutive days under section 502(f) of title 32, United States Code, in connection with a war, other military operation, or a national emergency declared by the President and supported by Federal funds.".

(e) RULE OF CONSTRUCTION.—Nothing in the amendments made by this section shall be construed to authorize any refunding of any repayment of a loan.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to loans for which the first disbursement is made on or after July 1, 2001.

SEC. 1008. RECOVERY THROUGH CONSOLIDATION.

Section 428(c) (20 U.S.C 1078(c)) is amended—

(1) in paragraph (2)(A)—

(A) by inserting "(i)" after "including"; and

(B) by inserting before the semicolon at the end the following: "and (ii) requirements establishing procedures to preclude consolidation lending from being an excessive proportion of guaranty agency recoveries on defaulted loans under this part";

(2) in paragraph (2)(D), by striking "paragraph (6)" and inserting "paragraph (6)(A)"; and

(3) in paragraph (6)—

(A) by inserting "(A)" before "For the purposes of paragraph (2)(D),";

(B) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively; and

(C) by adding at the end the following new subparagraphs:

"(B) GUARANTY AGENCY OBLIGATIONS.—A guaranty agency shall—

"(i) on or after October 1, 2006—

"(I) not charge the borrower collection costs in an amount in excess of 18.5 percent of the outstanding principal and interest of a defaulted loan that is paid off through

consolidation by the borrower under this title; and

"(II) remit to the Secretary a portion of the collection charge under subclause (I) equal to 8.5 percent of the outstanding principal and interest of such defaulted loan; and

"(ii) on and after October 1, 2009, remit to the Secretary the entire amount charged under clause (i)(I) with respect to each defaulted loan that is paid off with excess consolidation proceeds.

"(C) EXCESS CONSOLIDATION PROCEEDS.—For purposes of subparagraph (B), the term 'excess consolidation proceeds' means, with respect to any guaranty agency for any Federal fiscal year beginning on or after October 1, 2009, the proceeds of consolidation of defaulted loans under this title that exceed 45 percent of the agency's total collections on defaulted loans in such Federal fiscal year.".

SEC. 1009. SINGLE HOLDER RULE.

Subparagraph (A) of section 428C(b)(1) (20 U.S.C. 1078–3(b)(1)) is amended by striking "and (i)" and all that follows through "so selected for consolidation)".

SEC. 1010. DEFAULT REDUCTION PROGRAM.

Section 428F(a)(1) (20 U.S.C. 1078-6(a)(1)) is amended—

(1) in subparagraph (A), by striking "consecutive payments for 12 months" and inserting "9 payments made within 20 days of the due date during 10 consecutive months";

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following new subparagraph:

"(C) A guaranty agency may charge the borrower and retain collection costs in an amount not to exceed 18.5 percent of the outstanding principal and interest at the time of sale of a loan rehabilitated under subparagraph (A).".

SEC. 1011. REQUIREMENTS FOR DISBURSEMENTS OF STUDENT LOANS.

Section 428G (20 U.S.C. 1078–7) is amended—

(1) in subsection (a)(3), by adding at the end the following: "Notwithstanding section 422(d) of the Higher Education Amendments of 1998, this paragraph shall be effective beginning on the date of enactment of the Higher Education Amendments of 2005."; and

(2) in subsection (b)(1), by adding at the end the following: "Notwithstanding section 422(d) of the Higher Education Amendments of 1998, the second sentence of this paragraph shall be effective beginning on the date of enactment of the Higher Education Amendments of 2005.".

SEC. 1012. SPECIAL INSURANCE AND REINSURANCE RULES.

(a) REPEAL.—Section 428I (20 U.S.C. 1078–9) is repealed.

(b) CONFORMING AMENDMENTS.—Part A of title IV (20 U.S.C.1070 et seq.) is amended—

(1) in section 428(c)(1)—

(A) by striking subparagraph (D); and

(B) by redesignating subparagraphs (E) and (F) as subparagraphs (D) and (E), respectively; and

(2) in section 438(b)(5), by striking the matter following subparagraph (B).

SEC. 1013. SCHOOL AS LENDER MORATORIUM.

Section 435(d)(2) (20 U.S.C. 1085(d)(2)) is amended—

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

(2) by inserting before the matter following subparagraph (F) (as amended by section 430) the following:

"(G) shall have met the requirements of subparagraphs (A) through (F), and made loans under this part, on or before August 31, 2005;

"(H) shall hold each loan the eligible institution makes under this part to a student enrolled at the eligible institution until the student enters into a grace period described in section 427(a)(2)(B) or 428(b)(7);

"(I) shall use the proceeds from the sale of a loan made under this part, for need based grant aid programs, except that such proceeds—

"(i) shall not be used to provide a grant to a student for an academic year in an amount that is more than the student's cost of attendance for the academic year; and

"(ii) shall supplement and not supplant other Federal, State, and institutional grant aid; and

"(J) shall not be a foundation or alumni organization;".

SEC. 1014. PERMANENT REDUCTION OF SPECIAL ALLOWANCE PAYMENTS FOR LOANS FROM THE PROCEEDS OF TAX EXEMPT ISSUES.

(a) TECHNICAL CLARIFICATION.—The matter preceding paragraph (1) of section 2 of the Taxpayer-Teacher Protection Act of 2004 (Public Law 108–409; 118 Stat. 2299) is amended by inserting "of the Higher Education Act of 1965" after "Section 438(b)(2)(B)". The amendment made by the preceding sentence shall be effective as if enacted on October 30, 2004.

(b) AMENDMENT.—Section 438(b)(2)(B) (20 U.S.C. 1087–1(b)(2)(B)) is amended—

(1) in clause (iv), by striking "and before January 1, 2006,"; and

(2) in clause (v)(II)—

(A) in item (aa), by striking "and before January 1, 2006,";

(B) in item (bb), by striking "and before January 1, 2006,"; and

(C) in item (cc), by striking "and before January 1, 2006,".

SEC. 1015. SPECIAL ALLOWANCES.

(a) ORIGINATION FEES.—Paragraph (2) of section 438(c) (20 U.S.C. 1087–1(c)) is amended—

(1) by striking the designation and heading of such paragraph and inserting the following:

"(2) AMOUNT OF ORIGINATION FEES.—

"(A) IN GENERAL.—"; and

(2) by adding at the end the following new subparagraph:

"(B) SUBSEQUENT REDUCTIONS.—Subparagraph (A) shall be applied to loans made under this part (other than loans made under sections 428C and 439(o)) by substituting '2.50 percent' for '3.0 percent' with respect to loans for which the first disbursement of principal is made on or after July 1, 2007.".

(b) LOAN FEES FROM LENDERS.—

(1) AMENDMENT.—Paragraph (2) of section 438(d) (20 U.S.C. 1087–1(d)) is amended to read as follows:

"(2) AMOUNT OF LOAN FEES.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), with respect to any loan made under this part for which the first disbursement was made on or after October 1, 1993, the amount of the loan fee that shall be deducted under paragraph (1) shall be equal to 0.50 percent of the principal amount of the loan.

"(B) CONSOLIDATION LOANS.—With respect to any loan made under section 428C on or after

April 1, 2006, the amount of the loan fee that shall be deducted under paragraph (1) shall be equal to 1.0 percent of the principal amount of the loan.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to any loan made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.) for which the first disbursement is made on or after April 1, 2006.

SEC. 1016. ORIGINATION FEE.

Section 455(c) (20 U.S.C. 1087e(c)) is amended—

(1) by striking "shall" and inserting "is authorized to"; and

(2) by striking "4.0 percent of the principal amount of loan" and inserting "not less than 1 percent and not more than 3 percent of the principal amount of the loan, except that the Secretary shall charge the borrower of a Federal Direct PLUS Loan an origination fee of 4.0 percent of the principal amount of the loan. Beginning on July 1, 2007, the preceding sentence shall be applied by substituting '2.5 percent' for '3 percent' ".

SEC. 1017. INCOME CONTINGENT REPAYMENT FOR PUBLIC SECTOR EMPLOYEES.

Section 455(e) (20 U.S.C. 1087e(e)) is amended by adding at the end the following:

"(7) REPAYMENT PLAN FOR PUBLIC SECTOR EMPLOYEES.—

"(A) IN GENERAL.—The Secretary shall forgive the balance due on any loan made under this part or section 428C(b)(5) for a borrower—

"(i) who has made 120 payments on such loan pursuant to income contingent repayment; and

"(ii) who is employed, and was employed for the 10-year period in which the borrower made the 120 payments described in clause (i), in a public sector job.

"(B) PUBLIC SECTOR JOB.—In this paragraph, the term 'public sector job' means a full-time job in emergency management, government, public safety, law enforcement, public health, education (including early childhood education), or public interest legal services (including prosecution or public defense).

"(8) RETURN TO STANDARD REPAYMENT.—A borrower who is repaying a loan made under this part pursuant to income contingent repayment may

choose, at any time, to terminate repayment pursuant to income contingent repayment and repay such loan under the standard repayment plan.".

SEC. 1018. FAMILY CONTRIBUTION FOR DEPENDENT STUDENTS.

(a) AMENDMENTS.—Section 475 (20 U.S.C. 1087oo) is amended—

(1) in subsection (g)(2)(D), by striking "$2,200" and inserting "$3,000"; and

(2) in subsection (h), by striking "35" and inserting "20".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to determinations of need for periods of enrollment beginning on or after July 1, 2007.

SEC. 1019. FAMILY CONTRIBUTION FOR INDEPENDENT STUDENTS WITHOUT DEPENDENTS OTHER THAN A SPOUSE.

(a) AMENDMENTS.—Section 476 (20 U.S.C.1087pp) is amended—

(1) in subsection (b)(1)(A)(iv)—

(A) in subclause (I), by striking "$5,000" and inserting "$6,050";

(B) in subclause (II), by striking "$5,000" and inserting "$6,050"; and

(C) in subclause (III), by striking "$8,000" and inserting "$9,700"; and

(2) in subsection (c)(4), by striking "35" and inserting "20".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to determinations of need for periods of enrollment beginning on or after July 1, 2007.

SEC. 1020. FAMILY CONTRIBUTION FOR INDEPENDENT STUDENTS WITH DEPENDENTS OTHER THAN A SPOUSE.

(a) AMENDMENT.—Section 477(c)(4) (20 U.S.C. 1087qq(c)(4)) is amended by striking "12" and inserting "7".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to determinations of need for periods of enrollment beginning on or after July 1, 2007.

SEC. 1021. REGULATIONS; UPDATED TABLES.

Section 478(b) (20 U.S.C. 1087rr(b)) is amended—

(1) in paragraph (1), by adding at the end the following: "For the 2007–2008 academic year, the Secretary shall revise the tables in accordance with this paragraph, except that the Secretary shall increase the amounts contained in the table in section

477(b)(4) by a percentage equal to the greater of the estimated percentage increase in the Consumer Price Index (as determined under the preceding sentence) or 5 percent."; and

(2) in paragraph (2), by striking "2000–2001" and inserting "2007–2008".

SEC. 1022. SIMPLIFIED NEED TEST AND AUTOMATIC ZERO IMPROVEMENTS.

(a) AMENDMENTS.—Section 479 (20 U.S.C. 1087ss) is amended—

(1) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking clause (i) and inserting the following:

"(i) the student's parents—

"(I) file, or are eligible to file, a form described in paragraph (3);

"(II) certify that the parents are not required to file a Federal income tax return; or

"(III) received, or the student received, benefits at some time during the previous 12-month period under a means-tested Federal benefit program

as defined under subsection (d); and"; and

(ii) in subparagraph (B), by striking clause (i) and inserting the following:

"(i) the student (and the student's spouse, if any)—

"(I) files, or is eligible to 1 file, a form described in paragraph (3);

"(II) certifies that the student (and the student's spouse, if any) is not required to file a Federal income tax return; or

"(III) received benefits at some time during the previous 12-month period under a means-tested Federal benefit program as defined under subsection (d); and"; and

(B) in the matter preceding subparagraph (A) of paragraph (3), by striking "A student or family files a form described in this subsection, or subsection (c), as the case maybe, if the student or family, respectively, files" and inserting "In the case of an independent student, the student, or in the case of a dependent student, the family, files a form described in this subsection,

or subsection (c), as the case may be, if the student or family, as appropriate, files";

(2) in subsection (c)—

(A) in paragraph (1)—

(i) by striking subparagraph (A) and inserting the following:

"(A) the student's parents—

"(i) file, or are eligible to file, a form described in subsection (b)(3);

"(ii) certify that the parents are not required to file a Federal income tax return; or

"(iii) received, or the student received, benefits at some time during the previous 12-month period under a means-tested Federal benefit program as defined under subsection (d); and"; and

(ii) by striking subparagraph (B) and inserting the following:

"(B) the sum of the adjusted gross income of the parents is less than or equal to $20,000; or"; and

(B) in paragraph (2)—

(i) by striking subparagraph (A) and inserting the following:

"(A) the student (and the student's spouse, if any)—

"(i) files, or is eligible to file, a form described in subsection (b)(3);

"(ii) certifies that the student (and the student's spouse, if any) is not required to file a Federal income tax return; or

"(iii) received benefits at some time during the previous 12-month period under a means-tested Federal benefit program as defined under subsection (d); and"; and

(ii) by striking subparagraph (B) and inserting the following:

"(B) the sum of the adjusted gross income of the student and spouse (if appropriate) is less than or equal to $20,000."; and

(3) by adding at the end the following:

"(d) DEFINITIONS.—In this section:

"(1) MEANS-TESTED FEDERAL BENEFIT PROGRAM.—In this section, the term "means-tested Federal benefit program" means a mandatory spending program of the Federal Government, other than a program under this title, 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, and may include such programs as—

"(A) the supplemental security income program under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.);

"(B) the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);

"(C) the free and reduced price school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.);

"(D) the program of block grants for States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

"(E) the special supplemental nutrition program for women, infants, and children established by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786); and

"(F) other programs identified by the Secretary.".

(b) EVALUATION OF SIMPLIFIED NEEDS TEST.—

(1) ELIGIBILITY GUIDELINES.—The Secretary of Education shall regularly evaluate the impact of the eligibility guidelines in subsections (b)(1)(A)(i),

(b)(1)(B)(i), (c)(1)(A), and (c)(2)(A) of section 479 of the Higher Education Act of 1965 (20 U.S.C. 1087ss(b)(1)(A)(i), (b)(1)(B)(i), (c)(1)(A), and (c)(2)(A)).

(2) MEANS-TESTED FEDERAL BENEFIT PROGRAM.—For each 3-year period, the Secretary of Education shall evaluate the impact of including the receipt of benefits by a student or parent under a means-tested Federal benefit program (as defined in section 479(d) of the Higher Education Act of 1965 (20 U.S.C. 1087ss(d)) as a factor in determining eligibility under subsections (b) and (c) of section 479 of the Higher Education Act of 1965 (20 U.S.C. 1087ss(b) and (c)).

SEC. 1023. LOAN FORGIVENESS FOR TEACHERS.

Section 3(b)(3) of the Taxpayer-Teacher Protection Act of 2004 (20 U.S.C. 1078–10 note) is amended by striking ", and before October 1, 2005".

SEC. 1024. EFFECTIVE DATE.

Except as otherwise provided in this part or the amendments made by this part, the amendments made by this part shall take effect on July 1, 2006.

PART B—HURRICANE KATRINA HIGHER EDUCATION RECOVERY

SEC. 1051. SHORT TITLE.

This part may be cited as the "Hurricane Katrina Higher Education Recovery Act".

SEC. 1052. DEFINITIONS.

In this part:

(1) AFFECTED BORROWER.—The term "affected borrower" means an individual who—

(A) was in repayment, but not in deferment, on a loan made, insured, or guaranteed under part B, D, or E of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq., 1087a et seq., 1087aa et seq.) on August 22, 2005, or enters or entered repayment after August 22, 2005 and before June 30, 2006; and

(B)(i) lives or lived, as of August 22, 2005, in a county or parish of Alabama, Louisiana, or Mississippi—

(I) in which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) as a result of Hurricane Katrina; and

(II) which the President has determined warrants individual assistance from the Federal Government; or

(ii) worked, as of August 22, 2005, in a county or parish described in clause (i).

(2) AFFECTED INSTITUTION.—

(A) IN GENERAL.—The term "affected institution" means an institution of higher education, as defined in section 101 or 102 of the Higher Education Act of 1965 (20 U.S.C. 1001, 1002), that—

(i) is located in an area in which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act due to the effects of Hurricane Katrina; and

(ii) is impacted by Hurricane Katrina.

(B) LENGTH OF TIME.—In determining eligibility for assistance under this part, the Secretary, using consistent, objective criteria, shall determine the time period for which an institution of higher education is an affected institution.

(C) SPECIAL RULE.—An organizational unit of an affected institution that is not impacted by Hurricane Katrina shall not be considered as part of such affected institution for purposes of receiving assistance under this part.

(3) AFFECTED STUDENT.—The term "affected student" means a student who was enrolled on August 29, 2005 in an affected institution.

(4) DISTANCE EDUCATION.—

(A) IN GENERAL.—The term "distance education" means a course or program that uses 1 or more of the technologies described in subparagraph (B) to—

(i) deliver instruction to students who are separated from the instructor; and

(ii) support regular and substantive interaction between the students and the instructor, either 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 cir-

cuit, cable, microwave, broadband lines, fiber optics, satellite, or wireless communications devices;

(iii) audio conferencing; or

(iv) video cassette, DVDs, and CD-ROMs, provided that they are used in a course in conjunction with the technologies listed in clauses (i) through (iii).

(5) SECRETARY.—The term "Secretary" means the Secretary of Education.

SEC. 1053. WAIVER AUTHORITY AND MODIFICATIONS TO CERTAIN PROVISIONS OF THE HIGHER EDUCATION ACT OF 1965.

(a) WAIVER OF INSTITUTIONAL REPAYMENT.—Notwithstanding any other provision of law, including requirements related to cash management, an affected institution shall not be required to return any funds received by the affected institution for, or on behalf of, its students under subparts 1 and 3 of part A and parts B, C, D, and E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070, 1070b et seq., 1071 et seq., 1087a et seq., 1087aa et seq., 42 U.S.C. 2751 et seq.) during the 2005–2006 academic year.

(b) WAIVER OF STUDENT RETURN OF ASSISTANCE.—Notwithstanding any other provision of law, an affected

student who, as of the date of enactment of this Act, received assistance under subpart 1 or 3 of part A or parts B, C, D, or E of title IV of the Higher Education Act of 1965 for attendance at an affected institution of higher education during the 2005–2006 academic year, shall not be required to return such assistance.

(c) AFFECTED STUDENTS WHO DO NOT ENROLL IN ANOTHER INSTITUTION AND BORROWERS IN GRACE PERIODS OR DEFERMENT.—With respect to a loan made, insured, or guaranteed under part B, D, or E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq., 1087a et seq., 1087aa et seq.)—

(1) an affected student who does not enroll in another institution of higher education shall be retained in in-school status during the period beginning on August 22, 2005, and ending on June 30, 2006; and

(2) a borrower in a grace period or in deferment as of August 22, 2005 who satisfies the requirement described in clause (i) or clause (ii) of section 201(1)(B) shall be retained in such status, without documentation or action by the borrower, until June 30, 2006.

(d) DISCHARGE OR CANCELLATION OF LOANS.—The Secretary shall—

(1) discharge all loan amounts under parts B and D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq., 1087a et seq.) disbursed to, or on behalf of, an affected student for attendance at an affected institution of higher education during the 2005–2006 academic year;

(2) reimburse lenders for the purpose of discharging any loan amounts disbursed to, or on behalf of, a student under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.), for attendance at an affected institution of higher education during the 2005–2006 academic year; and

(3) cancel any loan under part E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087aa et seq.) disbursed to a student for attendance at an affected institution of higher education during the 2005–2006 academic year.

(e) AGGREGATE AND ANNUAL LIMITS.—In the case of an affected student, any grant or loan assistance under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) that such student received, or was to have received, for a program of study at an affected institution of higher education during the 2005–2006 academic year shall not count against such student's annual or aggregate grant or loan limits for receipt of aid under such title.

(f) FORBEARANCE.—Notwithstanding the provisions of part B, D, or E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq., 1087a et seq., 1087aa et seq.), a lender, the Secretary, or an institution of higher education is authorized to provide not more than 1 year of forbearance to an affected borrower without documentation.

(g) PROFESSIONAL JUDGMENT.—A financial aid administrator shall be considered to be making an adjustment in accordance with section 479A(a) of the Higher Education Act of 1965 (20 U.S.C. 1087tt(a)) if the financial aid administrator makes the adjustment with respect to the calculation of the expected student or parent contribution (or both) for an affected student, or for a student or a parent who resides or resided on August 22, 2005, or was employed on August 22, 2005, in an area in which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act due to the effects of Hurricane Katrina. The financial aid administrator shall adequately document the need for the adjustment.

(h) MODIFICATION OF PART A OF TITLE II GRANTS AUTHORIZED.—The Secretary is authorized to approve modifications to the requirements for Teacher Quality Enhancement Grants for States and Partnerships under part

A of title II of the Higher Education Act of 1965 (20 U.S.C. 1021 et seq.), at the request of the grantee—

(1) to assist States and local educational agencies to recruit and retain highly qualified teachers in a school district located in an area in which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act due to the effects of Hurricane Katrina; and

(2) to assist institutions of higher education, as defined in section 101 of such Act (20 U.S.C. 1001), located in such area to recruit and retain faculty necessary to prepare teachers and provide professional development.

(i) WAIVER AUTHORITY TO MODIFY AUTHORIZED USES OF TRIO, GEAR-UP, PART A OR B OF TITLE III, AND OTHER GRANTS.—The Secretary is authorized to modify the required and allowable uses of funds under chapters 1 and 2 of subpart 2 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a et seq., 1070a–21 et seq.), under part A or B of title III (20 U.S.C. 1057 et seq., 1060 et seq.), and under any other competitive grant program, at the request of an affected institution or other grantee, with respect to affected institutions and other grantees located in an area in which a major disaster has

been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act due to the effects of Hurricane Katrina.

(j) AUTHORITY TO EXTEND OR WAIVE REPORTING REQUIREMENTS UNDER SECTION 131(a).—The Secretary is authorized to extend reporting deadlines or waive reporting requirements under section 131(a) of the Higher Education Act of 1965 (20 U.S.C. 1015(a)) for an affected institution.

(k) DISTANCE EDUCATION.—The Secretary may waive the restrictions of subparagraphs (A) and (B) of section 102(a)(3) of the Higher Education Act of 1965 (20 U.S.C. 1002(a)(3)(A) and (B)) with respect to an institution of higher education, other than a foreign institution, that offers education or training programs through distance education and is otherwise eligible to participate in programs authorized under title IV of such Act (20 U.S.C. 1070 et seq.), if such institution exceeds such restrictions described in such subparagraphs due to the enrollment of affected students.

SEC. 1054. GENERAL WAIVER AUTHORITY AND REQUIRED CONSULTATION.

(a) WAIVER AUTHORITY.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary may waive or modify

any statutory provision of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) or any regulation implementing such Act as the Secretary determines necessary in connection with a major disaster that has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act due to the effects of Hurricane Katrina.

(2) ACTIONS AUTHORIZED.—In carrying out paragraph (1), the Secretary is authorized to waive or modify any provision described in paragraph (1) as the Secretary determines necessary to ensure that—

(A) administrative requirements placed on affected students, affected borrowers, institutions of higher education, lenders, guaranty agencies and grantees are minimized to the extent possible without impairing the integrity of the higher education programs under the Higher Education Act of 1965, to ease the burden on such participants; or

(B) institutions of higher education, lenders, guaranty agencies, and other entities participating in the student financial assistance programs under title IV of the Higher Education

Act of 1965 (20 U.S.C. 1070 et seq.), that serve an area in which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act due to the effects of Hurricane Katrina, may be granted temporary relief from requirements that are rendered infeasible or unreasonable due to the effects of Hurricane Katrina, including due diligence requirements and reporting deadlines.

(b) CONSTRUCTION.—Nothing in this section shall be construed to allow the Secretary to waive or modify any applicable statutory or regulatory requirements prohibiting discrimination in a program or activity, or in employment or contracting, under existing law (in existence on the date of the Secretary's action).

(c) CONSULTATION.—Prior to granting any waiver or modification under this section, the Secretary shall consult with the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate and the Committee on Education and the Workforce and the Committee on Appropriations of the House of Representatives with respect to waivers or modifications under this section.

SEC. 1055. NOTICE OF WAIVERS, MODIFICATIONS, OR EXTENSIONS.

Notwithstanding section 437 of the General Education Provisions Act (20 U.S.C. 1232) and section 553 of title 5, United States Code, the Secretary shall make publicly available the waivers, modifications, or extensions granted under section 1053 or 1054.

SEC. 1056. REGULATORY REQUIREMENTS INAPPLICABLE.

Sections 482(c) and 492 of the Higher Education Act of 1965 (20 U.S.C. 1089(c), 1098a), section 437 of the General Education Provisions Act (20 U.S.C. 1232), and section 553 of title 5, United States Code, shall not apply to this part.

SEC. 1057. DEPARTMENT OF EDUCATION INSPECTOR GENERAL AUDIT AND REPORT.

(a) IN GENERAL.—The Inspector General of the Department of Education (referred to in this section as the "Inspector General") shall conduct an audit and investigation of each program carried out by the Department of Education that includes response and recovery activities related to Hurricane Katrina.

(b) WEEKLY REPORT.—Not less frequently than once a week, the Inspector General shall provide a report to the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate and the Committee on Education and the Workforce and the Com-

mittee on Appropriations of the House of Representatives listing the audits and investigations initiated pursuant to subsection (a).

(c) STATUS REPORT.—Not later than 6 months after the date of enactment of this Act, and biannually thereafter until the audits and investigations described in subsection (a) are complete, the Inspector General shall report to the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate and the Committee on Education and the Workforce and the Committee on Appropriations of the House of Representatives on the full status of the activities of the Inspector General under this section.

(d) COOPERATIVE VENTURES.—In carrying out this section, the Inspector General is encouraged to enter into cooperative ventures with Inspectors General of other Federal agencies.

SEC. 1058. SUNSET PROVISION.

Except as otherwise provided in this part, the provisions of this part shall be effective for the period beginning on the date of enactment of this Act and ending on September 30, 2006.

Calendar No. 300

109TH CONGRESS
1ST SESSION

S. 1614

A BILL

To extend the authorization of programs under the Higher Education Act of 1965, and for other purposes.

NOVEMBER 17, 2005

Reported with an amendment