

110TH CONGRESS
1ST SESSION

H. R. 3746

To amend and extend the Higher Education Act of 1965.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 4, 2007

Mr. McKEON (for himself, Mr. KELLER of Florida, Mr. BOUSTANY, Mr. KLINE of Minnesota, Mr. FORTUÑO, Mr. WILSON of South Carolina, Mr. DAVID DAVIS of Tennessee, Mr. SOUDER, and Mr. BISHOP of Utah) introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To amend and extend the Higher Education Act of 1965.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “College Access and Opportunity Act of 2007”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. References; effective date.

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- Sec. 101. Definition of institution of higher education.
- “Sec. 101. Definition of institution of higher education.

“Sec. 102. Institutions outside the United States.

“Sec. 123. Restrictions on funds for for-profit schools.

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“Sec. 131. Consumer information and public accountability in higher education.

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“PART E—LENDER AND INSTITUTION REQUIREMENTS RELATING TO
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“Sec. 152. Requirements for lenders and institutions participating in educational loan arrangements.

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“PART A—TEACHER QUALITY PARTNERSHIP GRANTS

“Sec. 201. Authorization of appropriations.

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“Sec. 203. Administrative provisions.

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“Sec. 205. Accountability for programs that prepare teachers.

“Sec. 205A. Teacher development.

“Sec. 206. State Functions.

“Sec. 207. General Provisions.

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- “Sec. 449. Work assistance for students in comprehensive postsecondary programs for students with mental retardation.

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- Sec. 926. Study of education-related indebtedness of medical school graduates.
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- Sec. 928. Independent evaluation of distance education programs.
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1 **SEC. 2. REFERENCES; EFFECTIVE DATE.**

2 (a) REFERENCES.—Except as otherwise expressly
 3 provided, whenever in this Act an amendment or repeal
 4 is expressed in terms of an amendment to, or repeal of,
 5 a section or other provision, the reference shall be consid-
 6 ered to be made to a section or other provision of the
 7 Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

8 (b) EFFECTIVE DATE.—Except as otherwise provided
 9 in this Act, the amendments made by this Act shall take
 10 effect on the date of enactment of this Act.

11 **TITLE I—GENERAL PROVISIONS**

12 **SEC. 101. DEFINITION OF INSTITUTION OF HIGHER EDU-** 13 **CATION.**

14 (a) AMENDMENT.—Title I is amended by striking
 15 sections 101 and 102 (20 U.S.C. 1001, 1002) and insert-
 16 ing the following:

1 **“SEC. 101. DEFINITION OF INSTITUTION OF HIGHER EDU-**
2 **CATION.**

3 “(a) INSTITUTION OF HIGHER EDUCATION.—For
4 purposes of this Act, the term ‘institution of higher edu-
5 cation’ means an educational institution in any State
6 that—

7 “(1) admits as regular students only individuals
8 who—

9 “(A) meet the requirements of section
10 484(d)(3), or have a certificate of graduation
11 from a school providing secondary education, or
12 the recognized equivalent of such a certificate;

13 “(B) are beyond the age of compulsory
14 school attendance in the State in which the in-
15 stitution is located; or

16 “(C) will be dually enrolled in that institu-
17 tion and a secondary school;

18 “(2) is legally authorized within such State to
19 provide a program of education beyond secondary
20 education;

21 “(3)(A) is accredited by a nationally recognized
22 accrediting agency or association; or

23 “(B) if not so accredited, is a public or non-
24 profit institution that has been granted
25 preaccreditation status by such an agency or asso-
26 ciation that has been recognized by the Secretary for

1 the granting of preaccreditation status, and the Sec-
2 retary has determined that there is satisfactory as-
3 surance that the institution will meet the accredita-
4 tion standards of such an agency or association
5 within a reasonable time; and

6 “(4) meets either of the following criteria:

7 “(A) is a nonprofit, for-profit, or public in-
8 stitution that—

9 “(i) provides an educational program
10 for which the institution awards a bach-
11 elor’s, graduate, or professional degree;

12 “(ii) provides not less than a 2-year
13 educational program which is acceptable
14 for full credit towards such a degree;

15 “(iii) provides not less than a 1-year
16 program of training that prepares students
17 for gainful employment in a recognized oc-
18 cupation; or

19 “(iv) awards a degree that is accept-
20 able for admission to graduate or profes-
21 sional degree programs, subject to the re-
22 view and approval of the Secretary; or

23 “(B) is a nonprofit, for-profit, or public in-
24 stitution that provides an eligible program (as
25 defined in section 481)—

1 “(i) for which the institution awards a
2 certificate; and

3 “(ii) that prepares students for gain-
4 ful employment in a recognized occupation.

5 “(b) ADDITIONAL LIMITATIONS.—

6 “(1) FOR-PROFIT POSTSECONDARY INSTITU-
7 TIONS.—

8 “(A) DURATION OF ACCREDITATION.—A
9 for-profit institution shall not be considered to
10 be an institution of higher education unless
11 such institution is accredited by a nationally
12 recognized accrediting agency or association
13 and such institution has been in existence for at
14 least 2 years.

15 “(B) INSTITUTIONAL ELIGIBILITY ONLY
16 FOR COMPETITIVE GRANTS.—For the purposes
17 of any program providing grants to institutions
18 for use by the institution (and not for distribu-
19 tion among students), a for-profit institution
20 shall not be considered to be an institution of
21 higher education under this section if such
22 grants are awarded on any basis other than
23 competition on the merits of the grant proposal
24 or application.

1 “(2) POSTSECONDARY VOCATIONAL INSTITU-
2 TIONS.—A nonprofit or public institution that meets
3 the criteria of subsection (a)(4)(B) shall not be con-
4 sidered to be an institution of higher education un-
5 less such institution has been in existence for at
6 least 2 years.

7 “(3) LIMITATIONS BASED ON MANAGEMENT.—
8 An institution shall not be considered to meet the
9 definition of an institution of higher education in
10 this section if—

11 “(A) the institution, or an affiliate of the
12 institution that has the power, by contract or
13 ownership interest, to direct or cause the direc-
14 tion of the management or policies of the insti-
15 tution, has filed for bankruptcy, except that
16 this paragraph shall not apply to a nonprofit in-
17 stitution, the primary function of which is to
18 provide health care educational services (or an
19 affiliate of such an institution that has the
20 power, by contract or ownership interest, to di-
21 rect or cause the direction of the institution’s
22 management or policies) that filed for bank-
23 ruptcy under chapter 11 of title 11, United
24 States Code, between July 1, 1998, and Decem-
25 ber 1, 1998; or

1 “(B) the institution, the institution’s
2 owner, or the institution’s chief executive officer
3 has been convicted of, or has pled nolo
4 contendere or guilty to, a crime involving the
5 acquisition, use, or expenditure of Federal,
6 State, or local government funds, or has been
7 judicially determined to have committed a crime
8 involving the acquisition, use, or expenditure in-
9 volving Federal, State, or local government
10 funds.

11 “(4) LIMITATION ON COURSE OF STUDY OR EN-
12 ROLLMENT.—An institution shall not be considered
13 to meet the definition of an institution of higher
14 education in subsection (a) if such institution—

15 “(A) offers more than 50 percent of such
16 institution’s courses by correspondence (exclud-
17 ing courses offered by telecommunications as
18 defined in section 484(l)(4)), unless the institu-
19 tion is an institution that meets the definition
20 in section 3(3)(C) of the Carl D. Perkins Voca-
21 tional and Technical Education Act of 1998;

22 “(B) enrolls 50 percent or more of the in-
23 stitution’s students in correspondence courses
24 (excluding courses offered by telecommuni-
25 cations as defined in section 484(l)(4)), unless

1 the institution is an institution that meets the
2 definition in section 3(3)(C) of the Carl D. Per-
3 kins Vocational and Technical Education Act of
4 1998, except that the Secretary, at the request
5 of the institution, may waive the applicability of
6 this subparagraph to the institution for good
7 cause, as determined by the Secretary in the
8 case of an institution of higher education that
9 provides a 2- or 4-year program of instruction
10 (or both) for which the institution awards an
11 associate or baccalaureate degree, respectively;

12 “(C) has a student enrollment in which
13 more than 25 percent of the students are incar-
14 cerated, except that the Secretary may waive
15 the limitation contained in this subparagraph
16 for an institution that provides a 2- or 4-year
17 program of instruction (or both) for which the
18 institution awards a bachelor’s degree, or an as-
19 sociate’s degree or a postsecondary certificate,
20 respectively; or

21 “(D) has a student enrollment in which
22 more than 50 percent of the students either do
23 not meet the requirements of section 484(d)(3)
24 or do not have a secondary school diploma or
25 its recognized equivalent, and does not provide

1 a 2- or 4-year program of instruction (or both)
2 for which the institution awards an associate's
3 degree or a bachelor's degree, respectively, ex-
4 cept that the Secretary may waive the limita-
5 tion contained in this subparagraph if an insti-
6 tution demonstrates to the satisfaction of the
7 Secretary that the institution exceeds such limi-
8 tation because the institution serves, through
9 contracts with Federal, State, or local govern-
10 ment agencies, significant numbers of students
11 who do not meet the requirements of section
12 484(d)(3) or do not have a secondary school di-
13 ploma or its recognized equivalent.

14 “(c) LIST OF ACCREDITING AGENCIES.—For pur-
15 poses of this section, the Secretary shall publish a list of
16 nationally recognized accrediting agencies or associations
17 that the Secretary determines, pursuant to subpart 2 of
18 part H of title IV, to be reliable authority as to the quality
19 of the education or training offered.

20 “(d) CERTIFICATION.—The Secretary shall certify,
21 for the purposes of participation in title IV, an institu-
22 tion's qualification as an institution of higher education
23 in accordance with the requirements of subpart 3 of part
24 H of title IV.

1 “(e) LOSS OF ELIGIBILITY.—An institution of higher
2 education shall not be considered to meet the definition
3 of an institution of higher education in this section for
4 the purposes of participation in title IV if such institution
5 is removed from eligibility for funds under title IV as a
6 result of an action pursuant to part H of title IV.

7 **“SEC. 102. INSTITUTIONS OUTSIDE THE UNITED STATES.**

8 “(a) INSTITUTIONS OUTSIDE THE UNITED
9 STATES.—

10 “(1) IN GENERAL.—An institution outside the
11 United States shall be considered to be an institu-
12 tion of higher education only for purposes of part B
13 of title IV if the institution is comparable to an in-
14 stitution of higher education, as defined in section
15 101, is legally authorized by the education ministry
16 (or comparable agency) of the country in which the
17 school is located, and has been approved by the Sec-
18 retary for purposes of that part. The Secretary shall
19 establish criteria by regulation for that approval and
20 that determination of comparability. An institution
21 may not be so approved or determined to be com-
22 parable unless such institution is a public or non-
23 profit institution, except that, subject to paragraph
24 (2)(B), a nursing school, a graduate medical school

1 or veterinary school located outside the United
2 States may be a for-profit institution.

3 “(2) MEDICAL, NURSING, AND VETERINARY
4 SCHOOL CRITERIA.—In the case of a nursing school
5 or a graduate medical or veterinary school outside
6 the United States, such criteria shall include a re-
7 quirement that a student attending such school out-
8 side the United States is ineligible for loans made,
9 insured, or guaranteed under part B of title IV un-
10 less—

11 “(A) in the case of a graduate medical
12 school located outside the United States—

13 “(i)(I) at least 60 percent of those en-
14 rolled in, and at least 60 percent of the
15 graduates of, the graduate medical school
16 outside the United States were not persons
17 described in section 484(a)(5) in the year
18 preceding the year for which a student is
19 seeking a loan under part B of title IV;
20 and

21 “(II) at least 60 percent of the indi-
22 viduals who were students or graduates of
23 the graduate medical school outside the
24 United States or Canada (both nationals of
25 the United States and others) taking the

1 examinations administered by the Edu-
2 cational Commission for Foreign Medical
3 Graduates received a passing score in the
4 year preceding the year for which a stu-
5 dent is seeking a loan under part B of title
6 IV; or

7 “(ii) the graduate medical school has
8 or had a clinical training program that was
9 approved by a State as of January 1,
10 1992, and continues to operate a clinical
11 training program in at least one State,
12 which is approved by that State;

13 “(B) in the case of a veterinary school lo-
14 cated outside the United States that is not a
15 public or nonprofit institution, the school’s stu-
16 dents complete their clinical training at an ap-
17 proved veterinary school located in the United
18 States; or

19 “(C) in the case of a nursing school lo-
20 cated outside the United States that is not a
21 public or nonprofit institution, the school—

22 “(i) has, as of the date of enactment
23 of the College Access and Opportunity Act
24 of 2007, agreements with hospitals or ac-

1 credited nursing schools inside the United
2 States; and

3 “(ii) the school’s students are required
4 to complete their senior year at such hos-
5 pitals or accredited nursing schools.

6 “(b) ADVISORY PANEL.—

7 “(1) IN GENERAL.—For the purpose of quali-
8 fying a foreign medical school as an institution of
9 higher education only for purposes of part B of title
10 IV, the Secretary shall publish qualifying criteria by
11 regulation and establish an advisory panel of medical
12 experts that shall—

13 “(A) evaluate the standards of accredita-
14 tion applied to applicant foreign medical
15 schools; and

16 “(B) determine the comparability of those
17 standards to standards for accreditation applied
18 to United States medical schools.

19 “(2) FAILURE TO RELEASE INFORMATION.—
20 The failure of an institution outside the United
21 States to provide, release, or authorize release to the
22 Secretary of such information as may be required by
23 subsection (a)(2) shall render such institution ineli-
24 gible for the purpose of part B of title IV.”.

1 (b) RESTRICTIONS ON FUNDS FOR FOR-PROFIT
2 SCHOOLS.—Part B of title I is amended by inserting after
3 section 122 (20 U.S.C. 1011k) the following new section:

4 **“SEC. 123. RESTRICTIONS ON FUNDS FOR FOR-PROFIT**
5 **SCHOOLS.**

6 “(a) IN GENERAL.—Notwithstanding any other pro-
7 vision of this Act authorizing the use of funds by an insti-
8 tution of higher education that receives funds under this
9 Act, none of the funds made available under this Act to
10 a for-profit institution of higher education may be used
11 for—

12 “(1) construction, maintenance, renovation, re-
13 pair, or improvement of classrooms, libraries, labora-
14 tories, or other facilities;

15 “(2) establishing, improving, or increasing an
16 endowment fund; or

17 “(3) establishing or improving an institutional
18 development office to strengthen or improve con-
19 tributions from alumni and the private sector.

20 “(b) EXCEPTION.—Subsection (a) shall not apply to
21 funds received by the institution from the grant, loan, or
22 work assistance that is awarded under title IV to the stu-
23 dents attending such institution.

24 “(c) INELIGIBILITY FOR CERTAIN PROGRAMS.—Not-
25 withstanding section 101, a for-profit institution of higher

1 education shall not be considered an eligible institution for
2 the programs under titles III and V of this Act.”.

3 (c) CONFORMING AMENDMENTS.—

4 (1) Section 114(a) (20 U.S.C. 1011c(a)) is
5 amended by striking “(as defined in section 102)”.

6 (2) Section 435(a)(1) (20 U.S.C. 1085(a)(1)) is
7 amended by striking “section 102” and inserting
8 “section 101”.

9 (3) Subsection (d) of section 484 (20 U.S.C.
10 1091(d)) is amended by striking the designation and
11 heading of such subsection and inserting the fol-
12 lowing:

13 “(d) SATISFACTION OF SECONDARY EDUCATION
14 STANDARDS.—”.

15 (4) Section 486(b)(2) (20 U.S.C. 1093(b)(2)) is
16 amended by striking “102(a)(3)(A), 102(a)(3)(B)”
17 and inserting “101(b)(4)(A), 101(b)(4)(B)”.

18 (5) Section 487(c)(1)(A)(iii) (20 U.S.C.
19 1094(c)(1)(A)(iii)) is amended by striking “section
20 102(a)(1)(C)” and inserting “section 102”.

21 (6) Section 487(d) (20 U.S.C. 1094(d)) is
22 amended by striking “section 102” and inserting
23 “section 101”.

1 (7) Subsections (j) and (k) of section 496 (20
2 U.S.C. 1099b(j), (k)) are each amended by striking
3 “section 102” and inserting “section 101”.

4 (8) Section 498(g)(3) (20 U.S.C. 1099c(g)(3))
5 is amended by striking “section 102(a)(1)(C)” and
6 inserting “section 102”.

7 (9) Section 498(i)(1) (20 U.S.C. 1099c(i)(1)) is
8 amended by striking “section 102” and inserting
9 “section 101”.

10 (10) Section 498(j)(1) (20 U.S.C. 1099c) is
11 amended by striking “except that such branch shall
12 not be required to meet the requirements of sections
13 102(b)(1)(E) and 102(c)(1)(C) prior to seeking such
14 certification” and inserting “except that such branch
15 shall not be required to be in existence for at least
16 2 years prior to seeking such certification”.

17 (11) Section 498B(b) (20 U.S.C. 1099c–2(b))
18 is amended by striking “section 102(a)(1)(C)” and
19 inserting “section 102”.

20 (d) EFFECT ON OTHER LAWS.—

21 (1) INCLUSION OF FOR-PROFIT INSTITUTIONS
22 IN DEFINITION.—The inclusion of proprietary and
23 for-profit institutions within the definition of the
24 term “institution of higher education’” in section
25 101 of the Higher Education Act of 1965 (20

1 U.S.C. 1001) pursuant to the amendment made by
2 subsection (a) of this section shall not apply to any
3 other provision of law (other than the Higher Edu-
4 cation Act of 1965) enacted before the date of enact-
5 ment of this Act that references section 101 of the
6 Higher Education Act of 1965 (or that term as so
7 defined), except as expressly provided by an amend-
8 ment to, or other revision of the application of, such
9 law enacted after such date of enactment.

10 (2) INCLUSION OF FOR-PROFIT INSTITUTIONS
11 AS TITLE III OR V ELIGIBLE INSTITUTION.—Any ref-
12 erence in any provision of law other than the Higher
13 Education Act of 1965 to institutions of higher edu-
14 cation that are eligible to participate in programs
15 under title III or V of such Act (20 U.S.C. 1051 et.
16 seq., 1101 et seq.) shall not be treated, as a con-
17 sequence of the amendment to section 101 of the
18 Higher Education Act of 1965 (20 U.S.C. 1001) by
19 subsection (a) of this section, as including a ref-
20 erence to a for-profit or proprietary institution of
21 higher education, except as expressly provided by an
22 amendment to, or other revision of the application
23 of, such law enacted after such date of enactment.

1 **SEC. 102. NEW BORROWER DEFINITION.**

2 Paragraph (7) of section 103 (20 U.S.C. 1003) is
3 amended to read as follows:

4 “(7) NEW BORROWER.—The term ‘new bor-
5 rower’ when used with respect to any date for any
6 loan under any provision of—

7 “(A) part B or part D of title IV means
8 an individual who on that date has no out-
9 standing balance of principal or interest owing
10 on any loan made, insured, or guaranteed under
11 either of those parts; and

12 “(B) part E of title IV means an indi-
13 vidual who on that date has no outstanding bal-
14 ance of principal or interest owing on any loan
15 made under that part.”.

16 **SEC. 103. STUDENT SPEECH AND ASSOCIATION RIGHTS.**

17 Section 112 (20 U.S.C. 1011a) is amended—

18 (1) by amending subsection (a) to read as fol-
19 lows:

20 “(a) PROTECTION OF RIGHTS.—

21 “(1) It is the sense of Congress that no student
22 attending an institution of higher education on a
23 full- or part-time basis should, on the basis of par-
24 ticipation in protected speech or protected associa-
25 tion, be excluded from participation in, be denied the
26 benefits of, or be subjected to discrimination or offi-

1 cial sanction under any education program, activity,
2 or division of the institution directly or indirectly re-
3 ceiving financial assistance under this Act, whether
4 or not such program, activity, or division is spon-
5 sored or officially sanctioned by the institution; and

6 “(2) It is the sense of Congress that—

7 “(A) the diversity of institutions and edu-
8 cational missions is one of the key strengths of
9 American higher education;

10 “(B) individual colleges and universities
11 have different missions and each institution
12 should design its academic program in accord-
13 ance with its educational goals;

14 “(C) within the context of its institutional
15 mission, a college should promote intellectual
16 pluralism and facilitate the free and open ex-
17 change of ideas;

18 “(D) students should not be intimidated,
19 harassed, discouraged from speaking out, dis-
20 criminated against, or subject to official sanc-
21 tion because of their personal political, ideolog-
22 ical, or religious beliefs; and

23 “(E) students should be treated equally
24 and fairly, including evaluation and grading,

1 without regard to or consideration of their per-
2 sonal political views or ideological beliefs.

3 “(3) Nothing in paragraph (2) shall be con-
4 strued to modify, change, or infringe upon any con-
5 stitutionally protected religious liberty, freedom, ex-
6 pression, or association.”; and

7 (2) in subsection (b)(1), by inserting after
8 “higher education” the following: “, if the imposition
9 of such sanction is done objectively, fairly, and with-
10 out regard to the student’s personal political, ideo-
11 logical, or religious beliefs”.

12 **SEC. 104. NATIONAL ADVISORY COMMITTEE ON INSTITU-**
13 **TIONAL QUALITY AND INTEGRITY.**

14 (a) MEMBERSHIP.—Section 114(b) (20 U.S.C.
15 1011c(b)) is amended by adding at the end the following
16 new sentence: “A member of the Committee may continue
17 to serve after the expiration of a term until a successor
18 has been appointed.”.

19 (b) EXTENSION.—Section 114(g) (20 U.S.C.
20 1011c(g)) is amended by striking “2004” and inserting
21 “2013”.

22 **SEC. 105. ALCOHOL AND DRUG ABUSE PREVENTION.**

23 Section 120(e)(5) (20 U.S.C. 1011i(e)(5)) is amend-
24 ed—

1 (1) by striking “1999” and inserting “2008”;

2 and

3 (2) by striking “4 succeeding fiscal years” and

4 inserting “5 succeeding fiscal years”.

5 **SEC. 106. PRIOR RIGHTS AND OBLIGATIONS.**

6 Section 121(a) (20 U.S.C. 1011j(a)) is amended by

7 striking “1999 and for each of the 4” each place it ap-

8 pears and inserting “2008 and for each of the 5”.

9 **SEC. 107. LIMITATION ON CERTAIN USES OF FUNDS.**

10 Part B of title I is further amended by adding after

11 section 123 (as added by section 101(b) of this Act) the

12 following new section:

13 **“SEC. 124. LIMITATION ON CERTAIN USES OF FUNDS.**

14 “No funds made available to carry out this Act may

15 be used—

16 “(1) for publicity or propaganda purposes not

17 authorized by the Congress before the date of enact-

18 ment of the College Access and Opportunity Act of

19 2007; or

20 “(2) unless authorized by law in effect on such

21 date of enactment, to produce any prepackaged news

22 story intended for broadcast or distribution unless

23 such story includes a clear a notification contained

24 within the text or audio of such story stating that

1 the prepackaged news story was prepared or funded
2 by the Department of Education.”.

3 **SEC. 108. CONSUMER INFORMATION AND PUBLIC AC-**
4 **COUNTABILITY IN HIGHER EDUCATION.**

5 Section 131 (20 U.S.C. 1015) is amended to read as
6 follows:

7 **“SEC. 131. CONSUMER INFORMATION AND PUBLIC AC-**
8 **COUNTABILITY IN HIGHER EDUCATION.**

9 “(a) PURPOSE.—It is the purpose of this section to—

10 “(1) provide students and families with an
11 easy-to-use, comprehensive web-based tool for re-
12 searching and comparing institutions of higher edu-
13 cation;

14 “(2) increase the transparency of college cost,
15 price, and financial aid; and

16 “(3) raise public awareness of information
17 available about postsecondary education, particularly
18 among low-income families, non-traditional student
19 populations, and first-generation college students.

20 “(b) COLLEGE OPPORTUNITY ON-LINE (COOL)
21 WEBSITE RE-DESIGN PROCESS.—In carrying out this
22 section, the Commissioner of Education Statistics—

23 “(1) shall identify the data elements that are of
24 greatest importance to prospective students, enrolled
25 students, and their families, paying particular atten-

1 tion to low-income, non-traditional student popu-
2 lations, and first-generation college students;

3 “(2) shall convene a group of individuals with
4 expertise in the collection and reporting of data re-
5 lated to institutions of higher education to—

6 “(A) determine the relevance of particular
7 data elements to prospective students, enrolled
8 students, and families;

9 “(B) assess the cost-effectiveness of var-
10 ious ways in which institutions of higher edu-
11 cation might produce relevant data;

12 “(C) determine the general comparability
13 of the data across institutions of higher edu-
14 cation;

15 “(D) make recommendations regarding the
16 inclusion of specific data items and the most ef-
17 fective and least burdensome methods of col-
18 lecting and reporting useful data from institu-
19 tions of higher education; and

20 “(3) shall ensure that the redesigned COOL
21 website—

22 “(A) uses, to the extent practicable, data
23 elements currently provided by institutions of
24 higher education to the Secretary;

1 “(B) includes clear and uniform informa-
2 tion determined to be relevant to prospective
3 students, enrolled students, and families;

4 “(C) provides comparable information, by
5 ensuring that data are based on accepted cri-
6 teria and common definitions;

7 “(D) includes a sorting function that per-
8 mits users to customize their search for and
9 comparison of institutions of higher education
10 based on the information identified through the
11 process as prescribed in paragraph (1) as being
12 of greatest relevance to choosing an institution
13 of higher education.

14 “(c) DATA COLLECTION.—

15 “(1) DATA SYSTEM.—The Commissioner of
16 Education Statistics shall continue to redesign the
17 relevant parts of the Integrated Postsecondary Edu-
18 cation Data System to include additional data as re-
19 quired by this section and to continue to improve the
20 usefulness and timeliness of data collected by such
21 systems in order to inform consumers about institu-
22 tions of higher education.

23 “(2) COLLEGE CONSUMER PROFILE.—The Sec-
24 retary shall continue to publish on the COOL
25 website, for each academic year and in accordance

1 with standard definitions developed by the Commis-
2 sioner of Education Statistics (including definitions
3 developed under section 131(a)(3)(A) as in effect on
4 the day before the date of enactment of the College
5 Access and Opportunity Act of 2007), from at least
6 all institutions of higher education participating in
7 programs under title IV the following information:

8 “(A) The tuition and fees charged for a
9 first-time, full-time, full-year undergraduate
10 student.

11 “(B) The room and board charges for a
12 first-time, full-time, full-year undergraduate
13 student.

14 “(C) The price of attendance for a first-
15 time, full-time, full-year undergraduate student,
16 consistent with the provisions of section 472.

17 “(D) The average amount of financial as-
18 sistance received by a first-year, full-time, full-
19 year undergraduate student, including—

20 “(i) each type of assistance or benefits
21 described in 428(a)(2)(C)(ii);

22 “(ii) institutional and other assist-
23 ance; and

24 “(iii) Federal loans under parts B, D,
25 and E of title IV.

1 “(E) The number of first-time, full-time,
2 full-year undergraduate students receiving fi-
3 nancial assistance described in each clause of
4 subparagraph (D).

5 “(F) The institutional instructional ex-
6 penditure per full-time equivalent student.

7 “(G) Student enrollment information, in-
8 cluding information on the number and percent-
9 age of full-time and part-time students, the
10 number and percentage of resident and non-
11 resident students.

12 “(H) Faculty-to-student ratios.

13 “(I) Faculty information, including the
14 total number of faculty and the percentage of
15 faculty who are full-time employees of the insti-
16 tution and the percentage who are part-time.

17 “(J) Completion and graduation rates of
18 undergraduate students, identifying whether the
19 completion or graduation rates are from a 2-
20 year or 4-year program of instruction and, in
21 the case of a 2-year program of instruction, the
22 percentage of students who transfer to 4-year
23 institutions prior or subsequent to completion
24 or graduation.

1 “(K) A link to the institution of higher
2 education with information of interest to stu-
3 dents including mission, accreditation, student
4 services (including services for students with
5 disabilities), transfer of credit policies and, if
6 appropriate, placement rates and other meas-
7 ures of success in preparing students for entry
8 into or advancement in the workforce.

9 “(L) The college affordability information
10 elements specified in subsection (d).

11 “(M) Any additional information that the
12 Secretary may require.

13 “(d) COLLEGE AFFORDABILITY INFORMATION ELE-
14 MENTS.—The college affordability information elements
15 required by subsection (c)(2)(L) shall include, for each in-
16 stitution submitting data—

17 “(1) the sticker price of the institution for the
18 3 most recent academic years;

19 “(2) the net tuition price of the institution for
20 the 3 most recent academic years;

21 “(3) the percentage change in both the sticker
22 price and the net tuition price over the 3-year time
23 period that is being reported;

24 “(4) the percentage change in the CPI over the
25 same time period; and

1 “(5) whether the institution has been placed on
2 affordability alert status as required by subsection
3 (e)(3).

4 “(e) OUTCOMES AND ACTIONS.—

5 “(1) RESPONSE FROM INSTITUTION.—Effective
6 on June 30, 2008, an institution that increases its
7 sticker price at a percentage rate for any 3-year in-
8 terval ending on or after that date that exceeds two
9 times the rate of change in the CPI over the same
10 time period shall provide a report to the Secretary,
11 in such a form, at such time, and containing such
12 information as the Secretary may require. Such re-
13 port shall be published by the Secretary on the
14 COOL website, and shall include—

15 “(A) a description of the factors contrib-
16 uting to the increase in the institution’s costs
17 and in the tuition and fees charged to students;
18 and

19 “(B) if determinations of tuition and fee
20 increases are not within the exclusive control of
21 the institution, a description of the agency or
22 instrumentality of State government or other
23 entity that participates in such determinations
24 and the authority exercised by such agency, in-
25 strumentality, or entity.

1 “(2) QUALITY-EFFICIENCY TASK FORCES.—

2 “(A) REQUIRED.—Each institution subject
3 to paragraph (1) that has a percentage change
4 in its sticker price that is in the highest 5 per-
5 cent of all institutions subject to paragraph (1)
6 shall establish a quality-efficiency task force to
7 review the operations of such institution.

8 “(B) MEMBERSHIP.—Such task force shall
9 include administrators, business and civic lead-
10 ers, and faculty, and may include students,
11 trustees, parents of students, and alumni of
12 such institution.

13 “(C) FUNCTIONS.—Such task force shall
14 analyze institutional operating costs in compari-
15 son with such costs at other institutions within
16 the class of institutions. Such analysis should
17 identify areas where, in comparison with other
18 institutions in such class, the institution oper-
19 ates more expensively to produce a similar re-
20 sult. Any identified areas should then be tar-
21 geted for in-depth analysis for cost reduction
22 opportunities.

23 “(D) REPORT.—The results of the analysis
24 by a quality-efficiency task force under this

1 paragraph shall be made available to the public
2 on the COOL website.

3 “(3) CONSEQUENCES FOR 2-YEAR CONTINU-
4 ATION OF FAILURE.—If the Secretary determines
5 that an institution that is subject to paragraph (1))
6 has failed to reduce the subsequent increase in stick-
7 er price below two times the rate of change in the
8 CPI for 2 consecutive academic years subsequent to
9 the 3-year interval used under paragraph (1), the
10 Secretary shall place the institution on affordability
11 alert status.

12 “(4) EXEMPTIONS.—Notwithstanding para-
13 graph (3), an institution shall not be placed on af-
14 fordability alert status if, for any 3-year interval for
15 which sticker prices are computed under paragraph
16 (1)—

17 “(A) with respect the class of institutions
18 described in paragraph (6) to which the institu-
19 tion belongs, the sticker price of the institution
20 is in the lowest quartile of institutions within
21 such class, as determined by the Secretary, dur-
22 ing the last year of such 3-year interval; or

23 “(B) the institution has a percentage
24 change in its sticker price computed under
25 paragraph (1) that exceeds two times the rate

1 of change in the CPI over the same time period,
2 but the dollar amount of the sticker price in-
3 crease is less than \$500.

4 “(5) INFORMATION TO STATE AGENCIES.—Any
5 institution that reports under paragraph (1)(B) that
6 an agency or instrumentality of State government or
7 other entity participates in the determinations of tui-
8 tion and fee increases shall, prior to submitting any
9 information to the Secretary under this subsection,
10 submit such information to, and request the com-
11 ments and input of, such agency, instrumentality, or
12 entity. With respect to any such institution, the Sec-
13 retary shall provide a copy of any communication by
14 the Secretary with that institution to such agency,
15 instrumentality, or entity.

16 “(6) CLASSES OF INSTITUTIONS.—For purposes
17 of this subsection, the classes of institutions shall be
18 those sectors used by the Integrated Postsecondary
19 Education Data System, based on whether the insti-
20 tution is public, nonprofit private, or for-profit pri-
21 vate, and whether the institution has a 4-year, 2-
22 year, or less than 2-year program of instruction.

23 “(7) DATA REJECTION.—Nothing in this sub-
24 section shall be construed as allowing the Secretary

1 to reject the data submitted by an individual institu-
2 tion of higher education.

3 “(f) INFORMATION TO THE PUBLIC.—The Secretary
4 shall work with public and private entities to promote
5 broad public awareness, particularly among middle and
6 high school students and their families, of the information
7 made available under this section, including by distribu-
8 tion to students who participate in or receive benefits from
9 means-tested federally funded education programs and
10 other Federal programs determined by the Secretary.

11 “(g) FINES.—In addition to actions authorized in
12 section 487(c), the Secretary may impose a fine in an
13 amount not to exceed \$25,000 on an institution of higher
14 education for failing to provide the information required
15 by this section in a timely and accurate manner, or for
16 failing to otherwise cooperate with the National Center for
17 Education Statistics regarding efforts to obtain data
18 under subsections (c) and (j) and pursuant to the program
19 participation agreement entered into under section 487.

20 “(h) GAO STUDY AND REPORT.—

21 “(1) GAO STUDY.—The Comptroller General
22 shall conduct a study of the policies and procedures
23 implemented by institutions in increasing the afford-
24 ability of postsecondary education. Such study shall
25 include information with respect to—

- 1 “(A) a list of those institutions that—
- 2 “(i) have reduced their sticker prices;
- 3 or
- 4 “(ii) are within the least costly quar-
- 5 tile of institutions within each class de-
- 6 scribed in subsection (e)(6);
- 7 “(B) policies implemented to stem the in-
- 8 crease in tuition and fees and institutional
- 9 costs;
- 10 “(C) the extent to which room and board
- 11 costs and prices changed;
- 12 “(D) the extent to which other services
- 13 were altered to affect tuition and fees;
- 14 “(E) the extent to which the institution’s
- 15 policies affected student body demographics and
- 16 time to completion;
- 17 “(F) what, if any, operational factors
- 18 played a role in reducing tuition and fees;
- 19 “(G) the extent to which academic quality
- 20 was affected, and how;
- 21 “(H) if the institution is a public institu-
- 22 tion, the relationship between State and local
- 23 appropriations and the institution’s tuition and
- 24 fees;

1 “(I) the extent to which policies and prac-
2 tices reducing costs and prices may be rep-
3 licated from one institution to another; and

4 “(J) other information as necessary to de-
5 termine best practices in increasing the afford-
6 ability of postsecondary education.

7 “(2) INTERIM AND FINAL REPORTS.—The
8 Comptroller General shall submit an interim and a
9 final report regarding the findings of the study re-
10 quired by paragraph (1) to the appropriate author-
11 izing committees of Congress. The interim report
12 shall be submitted not later than July 31, 2011, and
13 the final report shall be submitted not later than
14 July 31, 2013.

15 “(i) STUDENT AID RECIPIENT SURVEY.—

16 “(1) SURVEY REQUIRED.—The Secretary shall
17 conduct a survey of student aid recipients under title
18 IV on a regular cycle and State-by-State basis, but
19 not less than once every 4 years—

20 “(A) to identify the population of students
21 receiving Federal student aid;

22 “(B) to describe the income distribution
23 and other socioeconomic characteristics of fed-
24 erally aided students;

1 “(C) to describe the combinations of aid
2 from State, Federal, and private sources re-
3 ceived by students from all income groups;

4 “(D) to describe the debt burden of edu-
5 cational loan recipients and their capacity to
6 repay their education debts, and the impact of
7 such debt burden on career choices;

8 “(E) to describe the role played by the
9 price of postsecondary education in the deter-
10 mination by students of what institution to at-
11 tend; and

12 “(F) to describe how the increased costs of
13 textbooks and other instructional materials af-
14 fects the costs of postsecondary education to
15 students.

16 “(2) SURVEY DESIGN.—The survey shall be
17 representative of full-time and part-time, under-
18 graduate, graduate, and professional and current
19 and former students in all types of institutions, and
20 designed and administered in consultation with the
21 Congress and the postsecondary education commu-
22 nity.

23 “(3) DISSEMINATION.—The Commissioner of
24 Education Statistics shall disseminate the informa-

1 tion resulting from the survey in both printed and
2 electronic form.

3 “(j) PROMOTION OF THE DEPARTMENT OF EDU-
4 CATION FEDERAL STUDENT FINANCIAL AID WEBSITE.—
5 The Secretary—

6 “(1) shall display a link to the Federal student
7 financial aid website of the Department of Edu-
8 cation (www.federalstudentaid.ed.gov) in a promi-
9 nent place on the homepage of the Department of
10 Education website (www.ed.gov); and

11 “(2) may use administrative funds available for
12 the Department’s operations and expenses for pur-
13 poses of advertising and other promotion of the
14 availability of the Federal student financial aid
15 website.

16 “(k) PROMOTION OF AVAILABILITY OF INFORMATION
17 CONCERNING STUDENT FINANCIAL AID PROGRAMS OF
18 OTHER DEPARTMENTS AND AGENCIES.—

19 “(1) COLLECTION AND POSTING OF INFORMA-
20 TION.—The Secretary shall collect and post the eligi-
21 bility requirements, application procedures, financial
22 terms and conditions, and other relevant information
23 for each non-departmental student financial assist-
24 ance program.

1 “(2) MANNER OF POSTING.—The information
2 required by paragraph (1)—

3 “(A) shall be easily accessible through the
4 Federal student financial aid website required
5 by subsection (e)(1);

6 “(B) shall be incorporated into the search
7 matrix on such website on pages pertaining to
8 other options for financial aid; and

9 “(C) shall clearly describe the programs in
10 a manner that permits students and parents to
11 readily identify the programs that are appro-
12 priate to their needs and eligibility.

13 “(3) AGENCY RESPONSE.—Each Federal de-
14 partment and agency shall promptly respond to sur-
15 veys or other requests for the information required
16 by paragraph (1) and shall identify for the Secretary
17 any non-departmental student financial assistance
18 program operated, sponsored, or supported by such
19 Federal department or agency.

20 “(4) DEFINITION.—For purposes of this sub-
21 section, the term ‘non-departmental student finan-
22 cial assistance program’ means any grant, loan,
23 scholarship, fellowship, or other form of financial aid
24 for students pursuing a postsecondary education
25 that is—

1 “(A) distributed directly to the student or
2 to the student’s account at the institution of
3 higher education; and

4 “(B) operated, sponsored, or supported by
5 a Federal department or agency other than the
6 Department of Education.

7 “(l) REGULATIONS.—The Secretary is authorized to
8 issue such regulations as may be necessary to carry out
9 the provisions of this section.

10 “(m) DEFINITIONS.—For the purposes of this sec-
11 tion:

12 “(1) NET TUITION PRICE.—The term ‘net tui-
13 tion price’ means the average tuition and fees
14 charged to a first-time, full-time, full-year under-
15 graduate student, minus the average grants provided
16 to such students, for any academic year.

17 “(2) STICKER PRICE.—The term ‘sticker price’
18 means the average tuition and fees charged to a
19 first-time, full-time, full-year undergraduate student
20 by an institution of higher education for any aca-
21 demic year.

22 “(3) CPI.—The term ‘CPI’ means the Con-
23 sumer Price Index-All Urban Consumers (Current
24 Series).”.

1 **SEC. 109. DATABASES OF STUDENT INFORMATION.**

2 Part C of title I is further amended by adding at the
3 end the following new section:

4 **“SEC. 132. DATABASES OF STUDENT INFORMATION PRO-**
5 **HIBITED.**

6 “(a) PROHIBITION.—Except as described in (b),
7 nothing in this Act shall be construed to authorize the de-
8 sign, development, creation, implementation, or mainte-
9 nance of a nationwide database of personally identifiable
10 information on individuals receiving assistance, attending
11 institutions receiving assistance, or otherwise involved in
12 any studies or other collections of data under this Act,
13 including a student unit record system, an education bar
14 code system, or any other system that tracks individual
15 students over time.

16 “(b) EXCEPTION.—The provisions of subsection (a)
17 shall not affect the loan obligation enforcement activities
18 described in section 485B of this Act.”.

19 **SEC. 110. PERFORMANCE-BASED ORGANIZATION.**

20 Section 141 (20 U.S.C. 1018) is amended—

21 (1) in subsection (a)(2)(B)—

22 (A) by inserting “unit” after “to reduce
23 the”; and

24 (B) by inserting “and, to the extent prac-
25 ticable, the total costs of administering those
26 programs” after “those programs”;

1 (2) in subsection (c)—

2 (A) in paragraph (1)(A), by striking “Each
3 year” and inserting “Each fiscal year”;

4 (B) in paragraph (1)(B), by inserting “sec-
5 ondary markets, guaranty agencies,” after
6 “lenders,”; and

7 (C) in paragraph (2)(B), by striking
8 “Chief Financial Officer Act of 1990 and” and
9 inserting “Chief Financial Officers Act of
10 1990,” and by inserting before the period at the
11 end the following: “, and other relevant stat-
12 utes”; and

13 (3) in subsection (f)(3)(A), by striking “para-
14 graph (1)(A)” and inserting “paragraph (1)”.

15 **SEC. 111. TREATMENT OF TERRITORIES AND TERRITORIAL**
16 **STUDENT ASSISTANCE.**

17 Section 113 (20 U.S.C. 1011b) is amended—

18 (1) by striking “**TREATMENT OF TERRI-**
19 **TORIES AND TERRITORIAL STUDENT ASSIST-**
20 **ANCE**” in the heading of such section and inserting
21 “**TERRITORIAL WAIVER AUTHORITY**”;

22 (2) by striking “(a) **WAIVER AUTHORITY.—**”;
23 and

24 (3) by striking subsection (b).

1 **SEC. 112. INSTITUTION AND LENDER REPORTING AND DIS-**
2 **CLOSURE REQUIREMENTS.**

3 Title I (20 U.S.C. 1001 et seq.) is amended by adding
4 at the end the following:

5 **“PART E—LENDER AND INSTITUTION REQUIRE-**
6 **MENTS RELATING TO EDUCATIONAL LOANS**

7 **“SEC. 151. DEFINITIONS.**

8 “In this part:

9 “(1) **COST OF ATTENDANCE.**—The term ‘cost of
10 attendance’ has the meaning given the term in sec-
11 tion 472.

12 “(2) **COVERED INSTITUTION.**—The term ‘cov-
13 ered institution’—

14 “(A) means any educational institution
15 that offers a postsecondary educational degree,
16 certificate, or program of study (including any
17 institution of higher education, as such term is
18 defined in section 102) and receives any Fed-
19 eral funding or assistance; and

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

24 “(3) **EDUCATIONAL LOAN.**—The term ‘edu-
25 cational loan’ means any loan made, insured, or
26 guaranteed under title IV.

1 “(4) EDUCATIONAL LOAN ARRANGEMENT.—The
2 term ‘educational loan arrangement’ means an ar-
3 rangement or agreement between a lender and a cov-
4 ered institution—

5 “(A) under which arrangement or agree-
6 ment a lender provides or otherwise issues edu-
7 cational loans to the students attending the cov-
8 ered institution or the parents of such students;
9 and

10 “(B) which arrangement or agreement—

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

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

18 “(5) LENDER.—The term ‘lender’—

19 “(A) means—

20 “(i) any lender—

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

24 “(II) that is a financial institu-
25 tion, as such term is defined in sec-

1 tion 509 of the Gramm-Leach-Bliley
2 Act (15 U.S.C. 6809); and

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

6 “(B) includes any individual, group, or en-
7 tity acting on behalf of the lender in connection
8 with an educational loan.

9 “(6) OFFICER.—The term ‘officer’ includes a
10 director or trustee of an institution.

11 **“SEC. 152. REQUIREMENTS FOR LENDERS AND INSTITU-**
12 **TIONS PARTICIPATING IN EDUCATIONAL**
13 **LOAN ARRANGEMENTS.**

14 “(a) USE OF LENDER NAME.—A covered institution
15 that enters into an educational loan arrangement shall dis-
16 close the name of the lender in documentation related to
17 the loan.

18 “(b) DISCLOSURES.—

19 “(1) DISCLOSURES BY LENDERS.—Before a
20 lender issues or otherwise provides an educational
21 loan to a student, the lender shall provide the stu-
22 dent, in writing, with the disclosures described in
23 paragraph (2).

1 “(2) DISCLOSURES.—The disclosures required
2 by this paragraph shall include a clear and promi-
3 nent statement—

4 “(A) of the interest rates of the edu-
5 cational loan being offered;

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

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

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

12 “(ii) whether, and under what condi-
13 tions, early repayment may be made with-
14 out penalty;

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

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

19 “(v) all available repayment benefits,
20 the percentage of all borrowers who qualify
21 for such benefits, and the percentage of
22 borrowers who received such benefits in the
23 preceding academic year, for each type of
24 loan being offered;

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

3 “(vii) all fees that the borrower may
4 be charged, including late payment pen-
5 alties and associated fees; and

6 “(D) of such other information as the Sec-
7 retary may require in regulations.

8 “(c) DISCLOSURES TO THE SECRETARY BY LEND-
9 ER.—

10 “(1) IN GENERAL.—Each lender shall, on an
11 annual basis, report to the Secretary any reasonable
12 expenses paid or given under section 435(d)(5)(D),
13 487(a)(21)(A)(ii), or 487(a)(21)(A)(iv) to any em-
14 ployee who is employed in the financial aid office of
15 a covered institution, or who otherwise has respon-
16 sibilities with respect to educational loans or other
17 financial aid of the institution. Such reports shall in-
18 clude—

19 “(A) the amount of each specific instance
20 in which the lender provided such reimburse-
21 ment;

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

1 “(B) include in the report a model format,
2 based on the report’s findings, to be used by
3 lenders and covered institutions in carrying out
4 subsections (b) and (c)—

5 “(i) that provides information on the
6 applicable interest rates and other terms
7 and conditions of the educational loans
8 provided by a lender to students attending
9 the institution, or the parents of such stu-
10 dents, disaggregated by each type of edu-
11 cational loans provided to such students or
12 parents by the lender, including—

13 “(I) the interest rate and terms
14 and conditions of the loans offered by
15 the lender for the upcoming academic
16 year;

17 “(II) with respect to such loans,
18 any benefits that are contingent on
19 the repayment behavior of the bor-
20 rower;

21 “(III) the average amount bor-
22 rowed from the lender by students en-
23 rolled in the institution who obtain
24 loans of such type from the lender for
25 the preceding academic year;

1 “(IV) the average interest rate
2 on such loans provided to such stu-
3 dents for the preceding academic year;
4 and

5 “(V) the amount that the bor-
6 rower may repay in interest, based on
7 the standard repayment period of a
8 loan, on the average amount borrowed
9 from the lender by students enrolled
10 in the institution who obtain loans of
11 such type from the lender for the pre-
12 ceding academic year; and

13 “(ii) which format shall be easily usa-
14 ble by lenders, institutions, guaranty agen-
15 cies, loan servicers, parents, and students;
16 and

17 “(C)(i) submit the report and model for-
18 mat to the authorizing committees; and

19 “(ii) make the report and model format
20 available to covered institutions, lenders, and
21 the public.

22 “(2) USE OF FORM.—The Secretary shall take
23 such steps as necessary to make the model format
24 available to covered institutions and to encourage—

1 “(A) lenders subject to subsection (b) to
2 use the model format in providing the informa-
3 tion required under subsection (b); and

4 “(B) covered institutions to use such for-
5 mat in preparing the information report under
6 subsection (c).

7 “(b) LENDER DUTIES.—Each lender that has an
8 educational loan arrangement with a covered institution
9 shall annually, by a date determined by the Secretary, pro-
10 vide to the covered institution and to the Secretary the
11 information included on the model format for each type
12 of educational loan provided by the lender to students at-
13 tending the covered institution, or the parents of such stu-
14 dents, for the preceding academic year.

15 “(c) COVERED INSTITUTION DUTIES.—Each covered
16 institution shall—

17 “(1) prepare and submit to the Secretary an
18 annual report, by a date determined by the Sec-
19 retary, that includes, for each lender that has an
20 educational loan arrangement with the covered insti-
21 tution and that has submitted to the institution the
22 information required under subsection (b)—

23 “(A) the information included on the
24 model format for each type of educational loan
25 provided by the lender to students attending the

1 covered institution, or the parents of such stu-
2 dents; and

3 “(B) a detailed explanation of why the cov-
4 ered institution believes the terms and condi-
5 tions of each type of educational loan provided
6 pursuant to the agreement are beneficial for
7 students attending the covered institution, or
8 the parents of such students; and

9 “(2) ensure that the report required under
10 paragraph (1) is made available to the public and
11 provided to students attending or planning to attend
12 the covered institution, and the parents of such stu-
13 dents, in time for the student or parent to take such
14 information into account before applying for or se-
15 lecting an educational loan.”.

16 **TITLE II—TEACHER QUALITY** 17 **ENHANCEMENT**

18 **SEC. 201. TEACHER QUALITY PARTNERSHIP GRANTS.**

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

1 responding to the academic subject matter
2 areas in which teachers provide instruction; and

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

7 “(2) CHILDREN FROM LOW-INCOME FAMI-
8 LIES.—The term ‘children from low-income families’
9 means children as described in section 1124(c)(1)(A)
10 of the Elementary and Secondary Education Act of
11 1965.

12 “(3) CORE ACADEMIC SUBJECTS.—The term
13 ‘core academic subjects’ has the meaning given the
14 term in section 9101 of the Elementary and Sec-
15 ondary Education Act of 1965.

16 “(4) EDUCATIONAL SERVICE AGENCY.—The
17 term ‘educational service agency’ has the meaning
18 given the term in section 9101 of the Elementary
19 and Secondary Education Act of 1965.

20 “(5) ELIGIBLE PARTNERSHIP.—The term ‘eligi-
21 ble partnership’ means an entity that—

22 “(A) shall include—

23 “(i) a high-need local educational
24 agency;

1 “(ii) a high-need school or a consor-
2 tium of high-need schools served by the
3 high-need local educational agency;

4 “(iii) a partner institution;

5 “(iv) a school, department, or pro-
6 gram of education within such partner in-
7 stitution;

8 “(v) a school or department of arts
9 and sciences within such partner institu-
10 tion; and

11 “(vi) a public or private educational
12 organization; and

13 “(B) may include any of the following:

14 “(i) The Governor of the State.

15 “(ii) The State educational agency.

16 “(iii) The State board of education.

17 “(iv) The State agency for higher edu-
18 cation.

19 “(v) A State-approved alternative
20 teacher certification program.

21 “(vi) A business.

22 “(vii) An educational service agency.

23 “(viii) A teacher organization.

24 “(ix) A high-performing local edu-
25 cational agency, or a consortium of such

1 local educational agencies, that can serve
2 as a resource to the partnership.

3 “(x) A charter school (as defined in
4 section 5210 of the Elementary and Sec-
5 ondary Education Act of 1965).

6 “(xi) A faith-based or community or-
7 ganization.

8 “(6) ESSENTIAL COMPONENTS OF READING IN-
9 STRUCTION.—The term ‘essential components of
10 reading instruction’ has the meaning given such
11 term in section 1208 of the Elementary and Sec-
12 ondary Education Act of 1965.

13 “(7) EXEMPLARY TEACHER.—The term ‘exem-
14 plary teacher’ has the meaning given such term in
15 section 9101 of the Elementary and Secondary Edu-
16 cation Act of 1965.

17 “(8) HIGH-NEED LOCAL EDUCATIONAL AGEN-
18 CY.—The term ‘high-need local educational agency’
19 means a local educational agency—

20 “(A)(i) for which not less than 20 percent
21 of the children served by the agency are chil-
22 dren from low-income families;

23 “(ii) that serves not fewer than 10,000
24 children from low-income families; or

1 “(iii) with a total of less than 600 students
2 in average daily attendance at the schools that
3 are served by the agency and all of whose
4 schools are designated with a school locale code
5 of 41, 42, or 43, as determined by the Sec-
6 retary; and

7 “(B)(i) for which there is a high percent
8 age of teachers not teaching in the academic
9 subject areas or grade levels in which the teach-
10 ers were trained to teach; or

11 “(ii) for which there is a high teacher
12 turnover rate or a high percentage of teachers
13 with emergency, provisional, or temporary cer-
14 tification or licensure.

15 “(9) HIGH-NEED SCHOOL.—The term ‘high
16 need school’ means a public elementary school or
17 public secondary school that—

18 “(A) is among the highest 25 percent of
19 schools served by the local educational agency
20 that serves the school, in terms of the percent
21 age of students from families with income below
22 the poverty line; or

23 “(B) is designated with a school locale
24 code of 41, 42, or 43, as determined by the
25 Secretary.

1 “(10) HIGHLY QUALIFIED.—The term ‘highly
2 qualified’ has the meaning given such term in sec-
3 tion 9101 of the Elementary and Secondary Edu-
4 cation Act of 1965 and, with respect to special edu-
5 cation teachers, in section 602 of the Individuals
6 with Disabilities Education Act.

7 “(11) INDUCTION PROGRAM.—The term ‘induc-
8 tion program’ means a formalized program for new
9 teachers during not less than the teachers’ first 2
10 years of teaching that is designed to provide support
11 for, and improve the professional performance and
12 advance the retention in the teaching field of, begin-
13 ning teachers. Such program shall promote effective
14 teaching skills and shall include the following compo-
15 nents:

16 “(A) High-quality teacher mentoring.

17 “(B) Periodic, structured time for collabo-
18 ration with teachers in the same department or
19 field, as well as time for information-sharing
20 among teachers, principals, administrators, and
21 participating faculty in the partner institution.

22 “(C) The application of empirically based
23 practice and scientifically based research on in-
24 structional practices.

1 “(D) Opportunities for new teachers to
2 draw directly upon the expertise of teacher
3 mentors, faculty, and researchers to support the
4 integration of empirically based practice and
5 scientifically based research with practice.

6 “(E) The development of skills in instruc-
7 tional and behavioral interventions derived from
8 empirically based practice and scientifically
9 based research.

10 “(F) Faculty who—

11 “(i) model the integration of research
12 and practice in the classroom; and

13 “(ii) assist new teachers with the ef-
14 fective use and integration of technology in
15 the classroom.

16 “(G) Interdisciplinary collaboration among
17 exemplary teachers, faculty, researchers, and
18 other staff who prepare new teachers on the
19 learning process and the assessment of learn-
20 ing.

21 “(H) Assistance with the understanding of
22 data, particularly student achievement data,
23 and the data’s applicability in classroom in-
24 struction.

1 “(I) Periodic, structured evaluation of the
2 new teacher by mentor teachers and the prin-
3 cipal using valid and reliable benchmarks of
4 teaching skills.

5 “(12) LIMITED ENGLISH PROFICIENT.—The
6 term ‘limited English proficient’ has the meaning
7 given such term in section 9101 of the Elementary
8 and Secondary Education Act of 1965.

9 “(13) PARTNER INSTITUTION.—The term ‘part-
10 ner institution’ means an institution of higher edu-
11 cation, which may include a 2-year institution of
12 higher education offering a dual program with a 4-
13 year institution of higher education, participating in
14 an eligible partnership that has a teacher prepara-
15 tion program—

16 “(A) whose graduates exhibit strong per-
17 formance on State-determined qualifying assess-
18 ments for new teachers through—

19 “(i) demonstrating that the graduates
20 of the program who intend to enter the
21 field of teaching have passed all of the ap-
22 plicable State qualification assessments for
23 new teachers, which shall include an as-
24 sessment of each prospective teacher’s sub-

1 ject matter knowledge in the content area
2 in which the teacher intends to teach; or

3 “(ii) being ranked among the highest
4 performing teacher preparation programs
5 in the State as determined by the State—

6 “(I) using criteria consistent with
7 the requirements for the State report
8 card under section 205(b); and

9 “(II) using the State report card
10 on teacher preparation required under
11 section 205(b), after the first publica-
12 tion of such report card and for every
13 year thereafter; or

14 “(B) that requires—

15 “(i) each student in the program to
16 meet high academic standards and partici-
17 pate in intensive clinical experience;

18 “(ii) in the case of secondary school
19 candidates, to successfully complete an
20 academic major in the subject area in
21 which the candidate intends to teach;

22 “(iii) in the case of elementary school
23 candidates, to successfully complete an
24 academic major in the arts and sciences;
25 and

1 “(iv) each student in the program pre-
2 paring to become a teacher to become
3 highly qualified.

4 “(14) PROFESSIONAL DEVELOPMENT.—The
5 term ‘professional development’ has the meaning
6 given the term in section 9101 of the Elementary
7 and Secondary Education Act of 1965.

8 “(15) SCIENTIFICALLY BASED READING RE-
9 SEARCH.—The term ‘scientifically based reading re-
10 search’ has the meaning given such term in section
11 1208 of the Elementary and Secondary Education
12 Act of 1965 (29 U.S.C. 6368);

13 “(16) SCIENTIFICALLY BASED RESEARCH.—
14 The term ‘scientifically based research’ has the
15 meaning given the term in section 9101 of the Ele-
16 mentary and Secondary Education Act of 1965 (20
17 U.S.C. 6368);

18 “(17) TEACHER MENTORING.—The term
19 ‘teacher mentoring’ means the mentoring of new or
20 prospective teachers through a new or established
21 program that—

22 “(A) includes clear criteria for the selec-
23 tion of teacher mentors who will provide role
24 model relationships for mentees, which criteria

1 shall be developed by the eligible partnership
2 and based on measures of teacher effectiveness;

3 “(B) provides high-quality training for
4 such mentors, including instructional strategies
5 for literacy instruction based on scientifically
6 based reading research;

7 “(C) provides regular and ongoing oppor-
8 tunities for mentors and mentees to observe
9 each other’s teaching methods in classroom set-
10 tings during the day in a high-need school in
11 the high-need local educational agency in the el-
12 igible partnership;

13 “(D) provides mentoring to each mentee by
14 a colleague who teaches in the same field,
15 grade, or subject as the mentee;

16 “(E) promotes empirically based practice
17 of and scientifically based research on—

18 “(i) teaching and learning;

19 “(ii) assessment of student learning;

20 “(iii) the development of teaching
21 skills through the use of instructional and
22 behavioral interventions; and

23 “(iv) the improvement of the mentees’
24 capacity to measurably advance student
25 learning; and

1 “(F) includes—

2 “(i) common planning time or regu-
3 larly scheduled collaboration for the men-
4 tor and mentee; and

5 “(ii) joint professional development
6 opportunities.

7 “(18) TEACHING SKILLS.—The term ‘teaching
8 skills’ means skills that enable a teacher to—

9 “(A) increase student learning, achieve-
10 ment, and the ability to apply knowledge;

11 “(B) effectively convey and explain aca-
12 demic subject matter;

13 “(C) employ strategies grounded in the
14 disciplines of teaching and learning that—

15 “(i) are based on empirically based
16 practice, scientifically based research, and,
17 where applicable, scientifically based read-
18 ing research, on teaching and learning;

19 “(ii) are specific to academic subject
20 matter; and

21 “(iii) focus on the identification of
22 students’ specific learning needs, particu-
23 larly students with disabilities, students
24 who are limited English proficient, stu-
25 dents who are gifted and talented, and stu-

1 dents with low literacy levels, and the tai-
2 loring of academic instruction to such
3 needs;

4 “(D) conduct an ongoing assessment of
5 student learning, which may include the use of
6 formative and performance-based assessments
7 that measure higher-order thinking skills, in-
8 cluding application, analysis, synthesis, and
9 evaluation;

10 “(E) effectively manage a classroom; and

11 “(F) communicate and work with parents
12 and guardians, and involve parents and guard-
13 ians in their children’s education.

14 “(19) TEACHING RESIDENCY PROGRAM.—The
15 term ‘teaching residency program’ means a school
16 based teacher preparation program in which a pro-
17 spective teacher—

18 “(A) for 1 academic year, teaches along-
19 side a mentor teacher, who is the teacher of
20 record;

21 “(B) receives concurrent instruction during
22 the year described in subparagraph (A) from
23 the partner institution or a State-approved al-
24 ternative teacher certification program, which
25 courses may be taught by local educational

1 agency personnel or residency program faculty,
2 in the teaching of the content area in which the
3 teacher will become certified or licensed;

4 “(C) acquires effective teaching skills;

5 “(D) prior to completion of the program,
6 attains full State teacher certification or licen-
7 sure, becomes highly qualified, may earn a
8 master’s degree, and receives a valid and reli-
9 able evaluation of the teacher’s teaching skills.

10 **“SEC. 202. PARTNERSHIP GRANTS.**

11 “(a) PROGRAM AUTHORIZED.—From amounts made
12 available under section 208, the Secretary is authorized
13 to award grants, on a competitive basis, to eligible part-
14 nerships, to enable the eligible partnerships to carry out
15 the activities described in subsection (c).

16 “(b) APPLICATION.—Each eligible partnership desir-
17 ing a grant under this section shall submit an application
18 to the Secretary at such time, in such manner, and accom-
19 panied by such information as the Secretary may require.
20 Each such application shall contain—

21 “(1) a needs assessment of all the partners in
22 the eligible partnership with respect to the prepara-
23 tion, ongoing training, professional development, and
24 retention, of general and special education teachers
25 and principals;

1 “(2) a description of the extent to which the
2 program prepares prospective and new teachers with
3 strong teaching skills;

4 “(3) a description of the extent to which the
5 program will prepare prospective and new teachers
6 to understand scientifically based research and data
7 and the applicability of scientifically based research
8 and data in the classroom;

9 “(4) a description of how the partnership will
10 coordinate strategies and activities assisted under
11 the grant with other teacher preparation or profes-
12 sional development programs, including those funded
13 under the Elementary and Secondary Education Act
14 of 1965 and the Individuals with Disabilities Edu-
15 cation Act, and through the National Science Foun-
16 dation, and how the activities of the partnership will
17 be consistent with State, local, and other education
18 reform activities that promote student achievement;

19 “(5) a resource assessment that describes the
20 resources available to the partnership, including—

21 “(A) the integration of funds from other
22 related sources;

23 “(B) the intended use of the grant funds;

24 “(C) the commitment of the resources of
25 the partnership to the activities assisted under

1 this section, including financial support, faculty
2 participation, and time commitments, and to
3 the continuation of the activities when the grant
4 ends;

5 “(6) a description of—

6 “(A) how the partnership will meet the
7 purposes of this part;

8 “(B) how the partnership will carry out
9 the activities required under subsection (e) or
10 (f), or both, based on the needs identified in
11 paragraph (1), with the goal of improving stu-
12 dent achievement;

13 “(C) the partnership’s evaluation plan
14 under section 204(a);

15 “(D) how the partnership will align the
16 teacher preparation program with the student
17 academic achievement standards and academic
18 content standards under section 1111(b)(2) of
19 the Elementary and Secondary Education Act
20 of 1965, established by the State in which the
21 partnership is located;

22 “(E) how faculty at the partner institution
23 will work with, during the term of the grant,
24 highly qualified teachers in the classrooms of
25 schools served by the high-need local edu-

1 cational agency in the partnership to provide
2 high-quality professional development activities;

3 “(F) how the partnership will design, im-
4 plement, or enhance a year-long, rigorous, and
5 enriching teaching preservice clinical program
6 component;

7 “(G) the in-service professional develop-
8 ment strategies and activities to be supported;

9 “(H) how the partnership will collect, ana-
10 lyze, and use data on the retention of all teach-
11 ers in schools located in the geographic area
12 served by the partnership to evaluate the effec-
13 tiveness of the partnership’s teacher support
14 system; and

15 “(I) how the partnership will ensure that
16 teachers, principals, and superintendents in pri-
17 vate elementary and secondary schools located
18 in the geographic areas served by an eligible
19 partnership under this part will participate eq-
20 uitably in accordance with section 9501 of the
21 Elementary and Secondary Education Act of
22 1965 (20 U.S.C. 7881); and

23 “(7) with respect to the induction program re-
24 quired as part of the activities carried out under this
25 section—

1 “(A) a demonstration that the schools and
2 departments within the institution of higher
3 education that are part of the induction pro-
4 gram have relevant and essential roles in the ef-
5 fective preparation of teachers, including con-
6 tent expertise and expertise in teaching;

7 “(B) a demonstration of the partnership’s
8 capability and commitment to the use of empiri-
9 cally based practice and scientifically based re-
10 search on teaching and learning, and the acces-
11 sibility to and involvement of faculty;

12 “(C) a description of how the teacher prep-
13 aration program will design and implement an
14 induction program to support all new teachers
15 through not less than the first 2 years of teach-
16 ing in the further development of the new
17 teachers’ teaching skills, including the use of
18 mentors who are trained and compensated by
19 such program for the mentors’ work with new
20 teachers; and

21 “(D) a description of how faculty involved
22 in the induction program will be able to sub-
23 stantially participate in an elementary or sec-
24 ondary school classroom setting, including re-

1 lease time and receiving workload credit for
2 such participation.

3 “(c) REQUIRED USE OF GRANT FUNDS.—An eligible
4 partnership that receives a grant under this part shall use
5 grant funds to carry out a program for the preparation
6 of teachers under subsection (e), a teaching residency pro-
7 gram under subsection (f), or both such programs.

8 “(d) PRIORITY.—In making grants under this part,
9 the Secretary shall give priority to eligible partnerships
10 seeking to carry out an effective program for teacher prep-
11 aration under subsection (e).

12 “(e) PARTNERSHIP GRANTS FOR TEACHER PREPA-
13 RATION.—An eligible partnership that receives a grant to
14 carry out an effective program for teacher preparation
15 shall carry out all of the following:

16 “(1) REFORMS.—

17 “(A) IN GENERAL.—Implementing re-
18 forms, described in subparagraph (B), within
19 each teacher preparation program of the eligible
20 partnership that is assisted under this section,
21 to hold each program accountable for—

22 “(i) preparing—

23 “(I) current or prospective teach-
24 ers to be highly qualified (including
25 teachers in rural school districts who

1 may teach multiple subjects, special
2 educators, teachers of students who
3 are limited English proficient who
4 may teach multiple subjects, and
5 teachers who are qualified to teach
6 Advanced Placement or International
7 Baccalaureate courses); and

8 “(II) such teachers to understand
9 empirically based practice and sci-
10 entifically based research on teaching
11 and learning and its applicability, and
12 to use technology effectively, including
13 the use of instructional techniques to
14 improve student achievement; and

15 “(ii) promoting strong teaching skills.

16 “(B) REQUIRED REFORMS.—The reforms
17 described in subparagraph (A) shall include—

18 “(i) implementing teacher preparation
19 program curriculum changes that improve,
20 evaluate, and assess how well all prospec-
21 tive and new teachers develop teaching
22 skills;

23 “(ii) using empirically based practice
24 and scientifically based research about the

1 disciplines of teaching and learning so that
2 all prospective teachers—

3 “(I) can understand and imple-
4 ment research-based teaching prac-
5 tices in classroom-based instruction;

6 “(II) have knowledge of student
7 learning methods;

8 “(III) possess skills to analyze
9 student academic achievement data
10 and other measures of student learn-
11 ing and use such data and measures
12 to improve instruction in the class-
13 room;

14 “(IV) possess teaching skills and
15 an understanding of effective instruc-
16 tional strategies across all applicable
17 content areas that enable the teachers
18 to—

19 “(aa) meet the specific
20 learning needs of all students, in-
21 cluding students with disabilities,
22 students who are limited English
23 proficient, students who are gift-
24 ed and talented, and students
25 with low literacy levels; and

1 “(bb) differentiate instruc-
2 tion for such students; and

3 “(V) can successfully employ sci-
4 entifically based reading research and
5 effective strategies for reading in-
6 struction using the essential compo-
7 nents of reading instruction;

8 “(iii) ensuring collaboration with de-
9 partments, programs, or units of a partner
10 institution outside of the teacher prepara-
11 tion program in all academic content areas
12 to ensure that new teachers receive train-
13 ing in both teaching and relevant content
14 areas in order to become highly qualified;

15 “(iv) developing admissions goals and
16 priorities in collaboration with the hiring
17 objectives of the high-need local edu-
18 cational agency in the eligible partnership;
19 and

20 “(v) implementing teacher preparation
21 program curriculum changes to prepare
22 teachers to teach Advanced Placement or
23 International Baccalaureate courses.

24 “(2) CLINICAL EXPERIENCE AND INTER-
25 ACTION.—Developing and improving a sustained and

1 high-quality pre-service clinical education program to
2 further develop the teaching skills of all prospective
3 teachers involved in the program. Such program
4 shall do the following:

5 “(A) Incorporate year-long opportunities
6 for enrichment activity or a combination of ac-
7 tivities, including—

8 “(i) clinical learning in classrooms in
9 high-need schools served by the high-need
10 local educational agency in the eligible
11 partnership and identified by the eligible
12 partnership; and

13 “(ii) closely supervised interaction be-
14 tween faculty and new and experienced
15 teachers, principals, and other administra-
16 tors at elementary schools or secondary
17 schools, and providing support for such
18 interaction.

19 “(B) Integrate pedagogy and classroom
20 practice and promote effective teaching skills in
21 academic content areas.

22 “(C) Provide high-quality teacher men-
23 toring.

24 “(D)(i) Be offered over the course of a
25 program of teacher preparation;

1 “(ii) be tightly aligned with course
2 work (and may be developed as a 5th year
3 of a teacher preparation program); and

4 “(iii) where feasible, allow prospective
5 teachers to learn to teach in the same
6 school district in which the teachers will
7 work, learning the instructional initiatives
8 and curriculum of that district.

9 “(E) Provide support and training for
10 those individuals participating in an activity for
11 prospective teachers described in this paragraph
12 or paragraph (3), and for those who serve as
13 mentors for such teachers, based on each indi-
14 vidual’s experience. such support may include—

15 “(i) with respect to a prospective
16 teacher or a mentor, release time for such
17 individual’s participation;

18 “(ii) with respect to a faculty member,
19 receiving course workload credit and com-
20 pensation for time teaching in the eligible
21 partnership’s activities; and

22 “(iii) with respect to a mentor, a sti-
23 pend, which may include bonus, differen-
24 tial, incentive, or performance based pay.

1 “(3) INDUCTION PROGRAMS FOR NEW TEACH-
2 ERS.—Creating an induction program for new teach-
3 ers.

4 “(4) TEACHER RECRUITMENT.—Developing and
5 implementing effective mechanisms to ensure that
6 the eligible partnership is able to recruit qualified in-
7 dividuals to become highly qualified teachers, par-
8 ticularly highly qualified special education, math,
9 and science teachers, through the activities of the el-
10 igible partnership. Such mechanisms shall include—

11 “(A) establishing within the high-need
12 local educational agency served by the eligible
13 partnership a performance based compensation
14 system to reward effective teachers who produce
15 demonstrated growth in student achievement.
16 Such compensation system shall be developed
17 with the demonstrated support of teachers;

18 “(B) developing strategies that provide dif-
19 ferential and bonus pay to recruit—

20 “(i) highly qualified teachers to teach
21 in high-need academic subjects, such as
22 reading, mathematics, and science;

23 “(ii) highly qualified teachers to teach
24 in schools within the jurisdiction of the eli-
25 gible partnership identified for school im-

1 provement under section 1116(b) of the
2 Elementary and Secondary Education Act
3 of 1965 (20 U.S.C. 6316(b));

4 “(iii) special education teachers;

5 “(iv) teachers specializing in teaching
6 limited English proficient children; and

7 “(v) highly qualified teachers in urban
8 or rural schools within the jurisdiction of
9 the eligible partnership; and

10 “(C) developing alternative routes to State
11 certification and traditional preparation to be-
12 come highly qualified teachers through—

13 “(i) innovative approaches that reduce
14 unnecessary barriers to State certification
15 while producing highly qualified teachers,
16 which may include articulation agreements
17 between institutions of higher education
18 that are members of eligible partnerships
19 under this section; and

20 “(ii) alternative routes to State certifi-
21 cation of teachers for qualified individuals,
22 including mid-career professionals from
23 other occupations, former military per-
24 sonnel, and recent college graduates with
25 records of academic distinction.

1 “(5) TEACHER REMOVAL.—Developing and im-
2 plementing effective mechanisms to ensure that local
3 educational agencies and schools served by the eligi-
4 ble partnership are able to remove expeditiously in-
5 competent or unqualified teachers consistent with
6 procedures to ensure due process for the teachers.

7 “(f) PARTNERSHIP GRANTS FOR THE ESTABLISH-
8 MENT OF TEACHING RESIDENCY PROGRAMS.—

9 “(1) IN GENERAL.—An eligible partnership re-
10 ceiving a grant to carry out an effective teaching
11 residency program shall carry out a program that
12 includes all of the following activities:

13 “(A) Supporting a teaching residency pro-
14 gram described in paragraph (2) for high-need
15 subjects and areas, as determined by the needs
16 of the high-need local educational agency in the
17 partnership.

18 “(B) Modifying staffing procedures to pro-
19 vide greater flexibility for local educational
20 agency and school leaders to establish effective
21 school-level staffing in order to facilitate place-
22 ment of graduates of the teaching residency
23 program in cohorts that facilitate professional
24 collaboration, both among graduates of the
25 teaching residency program and between such

1 graduates and mentor teachers in the receiving
2 school.

3 “(C) Ensuring that teaching residents that
4 participated in the teaching residency program
5 receive—

6 “(i) effective preservice preparation as
7 described in paragraph (2);

8 “(ii) teacher mentoring;

9 “(iii) induction through the induction
10 program as the teaching residents enter
11 the classroom as new teachers; and

12 “(iv) the preparation described in sub-
13 paragraphs (A), (B), and (C) of subsection
14 (e)(2).

15 “(2) TEACHING RESIDENCY PROGRAMS.—

16 “(A) ESTABLISHMENT AND DESIGN.—A
17 teaching residency program under this para-
18 graph shall be a program based upon models of
19 successful teaching residencies that serves as a
20 mechanism to prepare teachers for success in
21 the high-need schools in the eligible partner-
22 ship, and shall be designed to include the fol-
23 lowing characteristics of successful programs:

24 “(i) The integration of pedagogy,
25 classroom practice, and teacher mentoring.

1 “(ii) Engagement of teaching resi-
2 dents in rigorous coursework while under-
3 taking a guided teaching apprenticeship.

4 “(iii) Experience and learning oppor-
5 tunities alongside a trained and experi-
6 enced mentor teacher—

7 “(I) whose teaching shall com-
8 plement the residency program so that
9 classroom clinical practice is tightly
10 aligned with coursework;

11 “(II) who shall have extra re-
12 sponsibilities as a teacher leader of
13 the teaching residency program, as a
14 mentor for residents, and as a teacher
15 coach during the induction program
16 for novice teachers, and for estab-
17 lishing, within the program, a learn-
18 ing community in which all individuals
19 are expected to continually improve
20 their capacity to advance student
21 learning; and

22 “(III) who may have full relief
23 from teaching duties as a result of
24 such additional responsibilities.

1 “(iv) The establishment of clear cri-
2 teria for the selection of mentor teachers
3 based on measures of teacher effectiveness
4 and the appropriate subject area knowl-
5 edge. Evaluation of teacher effectiveness
6 shall be based on observations of such do-
7 mains of teaching as the following:

8 “(I) Demonstrated knowledge of
9 content, pedagogy, and assessment,
10 including the use of formative assess-
11 ments to improve student learning.

12 “(II) Appropriate instruction
13 that engages students with different
14 learning styles.

15 “(III) Collaboration with col-
16 leagues to improve instruction.

17 “(IV) Analysis of gains in stu-
18 dent learning, that, when feasible,
19 may include valid and reliable objec-
20 tive measures of the influence of
21 teachers on the rate of student aca-
22 demic progress.

23 “(V) In the case of mentor can-
24 didates who will be mentoring current
25 or future literacy and mathematics

1 coaches or instructors, an under-
2 standing of scientifically based read-
3 ing research and appropriate skills in
4 the essential components of reading
5 instruction, teacher training in lit-
6 eracy instructional strategies across
7 core subject areas, and teacher train-
8 ing in mathematics instructional
9 strategies, as appropriate.

10 “(v) Grouping of teaching residents in
11 cohorts to facilitate professional collabora-
12 tion among such residents.

13 “(vi) The development of admissions
14 goals and priorities aligned with the hiring
15 objectives of the local educational agency
16 partnering with the program, as well as
17 the instructional initiatives and curriculum
18 of the agency, in exchange for a commit-
19 ment by the agency to hire graduates from
20 the teaching residency program.

21 “(vii) Support for residents, once the
22 teaching residents are hired as teachers of
23 record, through an induction program, pro-
24 fessional development, and networking op-
25 portunities to support the residents

1 through not less than the residents' first 2
2 years of teaching.

3 “(B) SELECTION OF INDIVIDUALS AS
4 TEACHER RESIDENTS.—

5 “(i) ELIGIBLE INDIVIDUAL.—In order
6 to be eligible to be a teacher resident in a
7 teaching residency program under this
8 paragraph, an individual shall—

9 “(I) be a recent graduate of a 4-
10 year institution of higher education or
11 a mid-career professional from outside
12 the field of education possessing
13 strong content knowledge or a record
14 of professional accomplishment; and

15 “(II) submit an application to
16 the teaching residency program.

17 “(ii) SELECTION CRITERIA.—An eligi-
18 ble partnership carrying out a teaching
19 residency program under this subpara-
20 graph shall establish criteria for the selec-
21 tion of eligible individuals to participate in
22 the teaching residency program based on
23 the following characteristics:

1 “(I) Strong content knowledge or
2 record of accomplishment in the field
3 or subject area to be taught.

4 “(II) Strong verbal and written
5 communication skills, which may be
6 demonstrated by performance on ap-
7 propriate tests.

8 “(III) Other attributes linked to
9 effective teaching determined by per-
10 formance-based assessments.

11 “(C) STIPEND AND SERVICE REQUIRE-
12 MENT.—

13 “(i) STIPEND.—A teaching residency
14 program under this paragraph shall pro-
15 vide a 1-year living stipend or salary to
16 teaching residents during the 1-year teach-
17 ing residency program.

18 “(ii) SERVICE REQUIREMENT.—As a
19 condition of receiving a stipend under this
20 subparagraph, a teaching resident shall
21 agree to teach in a high-need school served
22 by the high-need local educational agency
23 in the eligible partnership for a period of
24 3 or more years after completing the 1-
25 year teaching residency program.

1 “(iii) REPAYMENT.—If a teaching
2 resident who received a stipend under this
3 subparagraph does not complete the serv-
4 ice requirement described in clause (ii),
5 such individual shall repay to the high
6 need local educational agency a pro rata
7 portion of the stipend amount for the
8 amount of teaching time that the indi-
9 vidual did not complete.

10 “(g) CONSULTATION.—

11 “(1) IN GENERAL.—Members of an eligible
12 partnership that receives a grant under this section
13 shall engage in regular consultation throughout the
14 development and implementation of programs and
15 activities under this section.

16 “(2) REGULAR COMMUNICATION.—To ensure
17 timely and meaningful consultation, regular commu-
18 nication shall occur among all members of the eligi-
19 ble partnership, including the high-need local edu-
20 cational agency. Such communication shall continue
21 throughout the implementation of the grant and the
22 assessment of programs and activities under this
23 section.

24 “(3) WRITTEN CONSENT.—The Secretary may
25 approve changes in grant activities of a grant under

1 this section only if a written consent signed by all
2 members of the eligible partnership is submitted to
3 the Secretary.

4 “(h) CONSTRUCTION.—Nothing in this section shall
5 be construed to prohibit an eligible partnership from using
6 grant funds to coordinate with the activities of eligible
7 partnerships in other States or on a regional basis through
8 Governors, State boards of education, State educational
9 agencies, State agencies responsible for early childhood
10 education, local educational agencies, or State agencies for
11 higher education.

12 “(i) SUPPLEMENT, NOT SUPPLANT.—Funds made
13 available under this section shall be used to supplement,
14 and not supplant, other Federal, State, and local funds
15 that would otherwise be expended to carry out activities
16 under this section.

17 **“SEC. 203. ADMINISTRATIVE PROVISIONS.**

18 “(a) DURATION; NUMBER OF AWARDS; PAY-
19 MENTS.—

20 “(1) DURATION.—A grant awarded under this
21 part shall be awarded for a period of 5 years.

22 “(2) NUMBER OF AWARDS.—An eligible part-
23 nership, and each individual member that is a part
24 of the eligible partnership, may not receive more
25 than 1 grant under this part.

1 “(3) PAYMENTS.—The Secretary shall make
2 annual payments of grant funds awarded under this
3 part.

4 “(b) PEER REVIEW.—

5 “(1) PANEL.—The Secretary shall provide the
6 applications submitted under this part to a peer re-
7 view panel for evaluation. With respect to each ap-
8 plication, the peer review panel shall initially rec-
9 ommend the application for funding or for dis-
10 approval.

11 “(2) PRIORITY.—In recommending applications
12 to the Secretary for funding under this part, the
13 panel shall give priority—

14 “(A) to applications from broad-based eli-
15 gible partnerships that involve businesses and
16 community organizations; and

17 “(B) to eligible partnerships so that the
18 awards promote an equitable geographic dis-
19 tribution of grants among rural and urban
20 areas.

21 “(3) SECRETARIAL SELECTION.—The Secretary
22 shall determine, based on the peer review process,
23 which applications shall receive funding and the
24 amounts of the grants. In determining the grant
25 amount, the Secretary shall take into account the

1 total amount of funds available for all grants under
2 this part and the types of activities proposed to be
3 carried out by the eligible partnership.

4 “(c) MATCHING REQUIREMENTS.—

5 “(1) IN GENERAL.—Each eligible partnership
6 receiving a grant under this part shall provide, from
7 non-Federal sources, an amount equal to 100 per-
8 cent of the amount of the grant, which may be pro-
9 vided in cash or in-kind, to carry out the activities
10 supported by the grant.

11 “(2) WAIVER.—The Secretary may waive all or
12 part of the matching requirement described in para-
13 graph (1) for any fiscal year for an eligible partner-
14 ship, if the Secretary determines that applying the
15 matching requirement to the eligible partnership
16 would result in serious hardship or an inability to
17 carry out the authorized activities described in this
18 part.

19 “(d) LIMITATION ON ADMINISTRATIVE EXPENSES.—

20 An eligible partnership that receives a grant under this
21 part may use not more than 2 percent of the grant funds
22 for purposes of administering the grant.

23 **“SEC. 204. ACCOUNTABILITY AND EVALUATION.**

24 “(a) ELIGIBLE PARTNERSHIP EVALUATION.—Each
25 eligible partnership submitting an application for a grant

1 under this part shall establish and include in such applica-
2 tion, an evaluation plan that includes strong performance
3 objectives. The plan shall include objectives and measures
4 for increasing—

5 “(1) student achievement for all students as
6 measured by the eligible partnership;

7 “(2) teacher retention in the first 3 years of a
8 teacher’s career;

9 “(3) improvement in the pass rates and scaled
10 scores for initial State certification or licensure of
11 teachers; and

12 “(4)(A) the percentage of highly qualified
13 teachers hired by the high-need local educational
14 agency participating in the eligible partnership;

15 “(B) the percentage of such teachers who are
16 members of under represented groups;

17 “(C) the percentage of such teachers who teach
18 high-need academic subject areas (such as reading,
19 mathematics, science, and foreign language, includ-
20 ing less commonly taught languages and critical for-
21 eign languages);

22 “(D) the percentage of such teachers who teach
23 in high-need areas (including special education and
24 English language instruction educational programs
25 for limited English proficient students); and

1 “(E) the percentage of such teachers in high
2 need schools, disaggregated by the elementary and
3 secondary school levels.

4 “(b) INFORMATION.—An eligible partnership receiv-
5 ing a grant under this part shall ensure that teachers,
6 principals, school superintendents, and faculty and leader-
7 ship at institutions of higher education located in the geo-
8 graphic areas served by the eligible partnership under this
9 part are provided information about the activities carried
10 out with funds under this part, including through elec-
11 tronic means.

12 “(c) REVOCATION OF GRANT.—If the Secretary de-
13 termines that an eligible partnership receiving a grant
14 under this part is not making substantial progress in
15 meeting the purposes, goals, objectives, and measures, as
16 appropriate, of the grant by the end of the third year of
17 a grant under this part, then the Secretary shall require
18 such eligible partnership to submit a revised application
19 that identifies the steps the partnership will take to make
20 substantial progress to meet the purposes, goals, objec-
21 tives, and measures, as appropriate, of this part.

22 “(d) EVALUATION AND DISSEMINATION.—The Sec-
23 retary shall evaluate the activities funded under this part
24 and report the Secretary’s findings regarding the activities

1 to the authorizing committees. The Secretary shall broadly
2 disseminate—

3 “(1) successful practices developed by eligible
4 partnerships under this part; and

5 “(2) information regarding such practices that
6 were found to be ineffective.

7 **“SEC. 205. ACCOUNTABILITY FOR PROGRAMS THAT PRE-**
8 **PARE TEACHERS.**

9 “(a) INSTITUTIONAL AND PROGRAM REPORT CARDS
10 ON THE QUALITY OF TEACHER PREPARATION.—

11 “(1) REPORT CARD.—Each institution of higher
12 education that conducts a traditional teacher prepa-
13 ration program or alternative routes to State certifi-
14 cation or licensure program and that enrolls stu-
15 dents receiving Federal assistance under this Act
16 shall report annually to the State and the general
17 public, in a uniform and comprehensible manner
18 that conforms with the definitions and methods es-
19 tablished by the Secretary, both for traditional
20 teacher preparation programs and alternative routes
21 to State certification or licensure programs, the fol-
22 lowing information:

23 “(A) PASS RATES AND SCALED SCORES.—

24 For the most recent year for which the informa-
25 tion is available for those students who took the

1 assessments and are enrolled in the traditional
2 teacher preparation program or alternative
3 routes to State certification or licensure pro-
4 gram, and for those who have taken the assess-
5 ments and have completed the traditional teach-
6 er preparation program or alternative routes to
7 State certification or licensure program during
8 the 2-year period preceding such year, for each
9 of the assessments used for teacher certification
10 or licensure by the State in which the program
11 is located—

12 “(i) the percentage of students who
13 have completed 100 percent of the nonclin-
14 ical coursework and taken the assessment
15 who pass such assessment;

16 “(ii) the percentage of all such stu-
17 dents who passed each such assessment;

18 “(iii) the percentage of students tak-
19 ing an assessment who completed the
20 teacher preparation program after enroll-
21 ing in the program, which shall be made
22 available widely and publicly by the State;

23 “(iv) the average scaled score for all
24 students who took each such assessment;

1 “(v) a comparison of the program’s
2 pass rates with the average pass rates for
3 programs in the State; and

4 “(vi) a comparison of the program’s
5 average scaled scores with the average
6 scaled scores for programs in the State.

7 “(B) PROGRAM INFORMATION.—The cri-
8 teria for admission into the program, the num-
9 ber of students in the program (disaggregated
10 by race and gender), the average number of
11 hours of supervised clinical experience required
12 for those in the program, the number of full-
13 time equivalent faculty and students in the su-
14 pervised clinical experience, and the total num-
15 ber of students who have been certified or li-
16 censed as teachers, disaggregated by subject
17 and area of certification or licensure.

18 “(C) STATEMENT.—In States that require
19 approval or accreditation of teacher preparation
20 programs, a statement of whether the institu-
21 tion’s program is so approved or accredited,
22 and by whom.

23 “(D) DESIGNATION AS LOW-PER-
24 FORMING.—Whether the program has been des-

1 ignated as low-performing by the State under
2 section 207(a).

3 “(E) USE OF TECHNOLOGY.—A descrip-
4 tion of the activities that prepare teachers to ef-
5 fectively integrate technology into curricula and
6 instruction and effectively use technology to col-
7 lect, manage, and analyze data in order to im-
8 prove teaching, learning, and decisionmaking
9 for the purpose of increasing student academic
10 achievement.

11 “(2) REPORT.—Each eligible partnership re-
12 ceiving a grant under section 202 shall report annu-
13 ally on the progress of the eligible partnership to-
14 ward meeting the purposes of this part and the ob-
15 jectives and measures described in section 204(a).

16 “(3) FINES.—The Secretary may impose a fine
17 not to exceed \$25,000 on an institution of higher
18 education for failure to provide the information de-
19 scribed in this subsection in a timely or accurate
20 manner.

21 “(4) SPECIAL RULE.—In the case of an institu-
22 tion of higher education that conducts a traditional
23 teacher preparation program or alternative routes to
24 State certification or licensure program and has
25 fewer than 10 scores reported on any single initial

1 teacher certification or licensure assessment during
2 an academic year, the institution shall collect and
3 publish information, as required under paragraph
4 (1)(A), with respect to an average pass rate and
5 scaled score on each State certification or licensure
6 assessment taken over a 3-year period.

7 “(b) STATE REPORT CARD ON THE QUALITY OF
8 TEACHER PREPARATION.—

9 “(1) IN GENERAL.—Each State that receives
10 funds under this Act shall provide to the Secretary,
11 annually, in a uniform and comprehensible manner
12 that conforms with the definitions and methods es-
13 tablished by the Secretary, a State report card on
14 the quality of teacher preparation in the State, both
15 for traditional teacher preparation programs and for
16 alternative routes to State certification or licensure
17 programs, which shall include not less than the fol-
18 lowing:

19 “(A) A description of the reliability and
20 validity of the teacher certification and licen-
21 sure assessments, and any other certification
22 and licensure requirements, used by the State.

23 “(B) The standards and criteria that pro-
24 spective teachers must meet in order to attain
25 initial teacher certification or licensure and to

1 be certified or licensed to teach particular aca-
2 demic subject areas or in particular grades
3 within the State.

4 “(C) A description of how the assessments
5 and requirements described in subparagraph
6 (A) are aligned with the State’s challenging
7 academic content standards required under sec-
8 tion 1111(b)(1) of the Elementary and Sec-
9 ondary Education Act of 1965 and State early
10 learning standards for early childhood education
11 programs.

12 “(D) For each of the assessments used by
13 the State for teacher certification or licensure—

14 “(i) for each institution of higher edu-
15 cation located in the State and each entity
16 located in the State that offers an alter-
17 native route for teacher certification or li-
18 censure, the percentage of students at such
19 institution or entity who have completed
20 100 percent of the nonclinical coursework
21 and taken the assessment who pass such
22 assessment;

23 “(ii) the percentage of all such stu-
24 dents at all such institutions taking the as-
25 sessment who pass such assessment; and

1 “(iii) the percentage of students tak-
2 ing an assessment who completed the
3 teacher preparation program after enroll-
4 ing in the program, which shall be made
5 available widely and publicly by the State.

6 “(E) A description of alternative routes to
7 State certification or licensure in the State (in-
8 cluding any such routes operated by entities
9 that are not institutions of higher education), if
10 any, including, for each of the assessments used
11 by the State for teacher certification or licen-
12 sure—

13 “(i) the percentage of individuals par-
14 ticipating in such routes, or who have com-
15 pleted such routes during the 2-year period
16 preceding the date of the determination,
17 who passed each such assessment; and

18 “(ii) the average scaled score of indi-
19 viduals participating in such routes, or who
20 have completed such routes during the pe-
21 riod preceding the date of the determina-
22 tion, who took each such assessment.

23 “(F) A description of the State’s criteria
24 for assessing the performance of teacher prepa-
25 ration programs within institutions of higher

1 education in the State. Such criteria shall in-
2 clude indicators of the academic content knowl-
3 edge and teaching skills of students enrolled in
4 such programs.

5 “(G) For each teacher preparation pro-
6 gram in the State, the criteria for admission
7 into the program, the number of students in the
8 program, disaggregated by race and gender (ex-
9 cept that such disaggregation shall not be re-
10 quired in a case in which the number of stu-
11 dents in a category is insufficient to yield sta-
12 tistically reliable information or the results
13 would reveal personally identifiable information
14 about an individual student), the average num-
15 ber of hours of supervised clinical experience re-
16 quired for those in the program, and the num-
17 ber of full-time equivalent faculty, adjunct fac-
18 ulty, and students in supervised clinical experi-
19 ence.

20 “(H) For the State as a whole, and for
21 each teacher preparation program in the State,
22 the number of teachers prepared, in the aggre-
23 gate and reported separately by—

24 “(i) area of certification or licensure;

25 “(ii) academic major; and

1 “(iii) subject area for which the teach-
2 er has been prepared to teach.

3 “(I) Using the data generated under sub-
4 paragraphs (G) and (H), a description of the
5 extent to which teacher preparation programs
6 are helping to address shortages of highly quali-
7 fied teachers, by area of certification or licen-
8 sure, subject, and specialty, in the State’s pub-
9 lic schools.

10 “(J) A description of the activities that
11 prepare teachers to effectively integrate tech-
12 nology into curricula and instruction and effec-
13 tively use technology to collect, manage, and
14 analyze data in order to improve teaching,
15 learning, and decisionmaking for the purpose of
16 increasing student academic achievement.

17 “(2) PROHIBITION AGAINST CREATING A NA-
18 TIONAL LIST.—The Secretary shall not create a na-
19 tional list or ranking of States, institutions, or
20 schools using the scaled scores provided under this
21 subsection.

22 “(c) REPORT OF THE SECRETARY ON THE QUALITY
23 OF TEACHER PREPARATION.—

24 “(1) REPORT CARD.—The Secretary shall pro-
25 vide to Congress, and publish and make widely avail-

1 able, a report card on teacher qualifications and
2 preparation in the United States, including all the
3 information reported in subparagraphs (A) through
4 (J) of subsection (b)(1). Such report shall identify
5 States for which eligible partnerships received a
6 grant under this part. Such report shall be so pro-
7 vided, published, and made available annually.

8 “(2) REPORT TO CONGRESS.—The Secretary
9 shall prepare and submit a report to Congress that
10 contains the following:

11 “(A) A comparison of States’ efforts to im-
12 prove the quality of the current and future
13 teaching force.

14 “(B) A comparison of eligible partnerships’
15 efforts to improve the quality of the current
16 and future teaching force.

17 “(C) The national mean and median scaled
18 scores and pass rate on any standardized test
19 that is used in more than 1 State for teacher
20 certification or licensure.

21 “(3) SPECIAL RULE.—In the case of a teacher
22 preparation program with fewer than 10 scores re-
23 ported on any single initial teacher certification or li-
24 censure assessment during an academic year, the
25 Secretary shall collect and publish information, and

1 make publicly available, with respect to an average
2 pass rate and scaled score on each State certification
3 or licensure assessment taken over a 3-year period.

4 “(d) COORDINATION.—The Secretary, to the extent
5 practicable, shall coordinate the information collected and
6 published under this part among States for individuals
7 who took State teacher certification or licensure assess-
8 ments in a State other than the State in which the indi-
9 vidual received the individual’s most recent degree.

10 **“SEC. 205A. TEACHER DEVELOPMENT.**

11 “(a) ANNUAL GOALS.—As a condition of receiving
12 assistance under title IV, each institution of higher edu-
13 cation that conducts a traditional teacher preparation pro-
14 gram or alternative routes to State certification or licen-
15 sure program and that enrolls students receiving Federal
16 assistance under this Act shall set annual quantifiable
17 goals for—

18 “(1) increasing the number of prospective
19 teachers trained in teacher shortage areas des-
20 ignated by the Secretary, including mathematics,
21 science, special education, and instruction of limited
22 English proficient students; and

23 “(2) more closely linking the training provided
24 by the institution with the needs of schools and the

1 instructional decisions new teachers face in the
2 classroom.

3 “(b) ASSURANCE.—As a condition of receiving assist-
4 ance under title IV, each institution described in sub-
5 section (a) shall provide an assurance to the Secretary
6 that—

7 “(1) training provided to prospective teachers
8 responds to the identified needs of the local edu-
9 cational agencies or States where the institution’s
10 graduates are likely to teach, based on past hiring
11 and recruitment trends;

12 “(2) prospective special education teachers re-
13 ceive coursework in core academic subjects and re-
14 ceive training in providing instruction in core aca-
15 demic subjects;

16 “(3) regular education teachers receive training
17 in providing instruction to diverse populations, in-
18 cluding children with disabilities, limited English
19 proficient students, and children from low-income
20 families; and

21 “(4) prospective teachers receive training on
22 how to effectively teach in urban and rural schools.

23 “(c) PUBLIC REPORTING.—As part of the annual re-
24 port card required under section 205(a)(1), an institution
25 of higher education described in subsection (a) shall pub-

1 licly report whether the goals established under such sub-
2 section have been met.

3 **“SEC. 206. STATE FUNCTIONS.**

4 “(a) STATE ASSESSMENT.—In order to receive funds
5 under this Act, a State shall have in place a procedure
6 to identify and assist, through the provision of technical
7 assistance, low-performing programs of teacher prepara-
8 tion. Such State shall provide the Secretary an annual list
9 of such low-performing teacher preparation programs that
10 includes an identification of those programs at risk of
11 being placed on such list. Such levels of performance shall
12 be determined solely by the State and may include criteria
13 based on information collected pursuant to this part. Such
14 assessment shall be described in the report under section
15 205(b).

16 “(b) TERMINATION OF ELIGIBILITY.—Any program
17 of teacher preparation from which the State has with-
18 drawn the State’s approval, or terminated the State’s fi-
19 nancial support, due to the low performance of the pro-
20 gram based upon the State assessment described in sub-
21 section (a)—

22 “(1) shall be ineligible for any funding for pro-
23 fessional development activities awarded by the De-
24 partment;

1 “(2) shall not be permitted to accept or enroll
2 any student that receives aid under title IV in the
3 institution’s teacher preparation program; and

4 “(3) shall provide transitional support, includ-
5 ing remedial services if necessary, for students en-
6 rolled at the institution at the time of termination
7 of financial support or withdrawal of approval.

8 “(c) NEGOTIATED RULEMAKING.—If the Secretary
9 develops any regulations implementing subsection (b)(2),
10 the Secretary shall submit such proposed regulations to
11 a negotiated rulemaking process, which shall include rep-
12 resentatives of States, institutions of higher education,
13 and educational and student organizations.

14 “(d) APPLICATION OF THE REQUIREMENTS.—The
15 requirements of this section shall apply to both traditional
16 teacher preparation programs and alternative routes to
17 State certification and licensure programs.

18 **“SEC. 207. GENERAL PROVISIONS.**

19 “(a) METHODS.—In complying with sections 205 and
20 206, the Secretary shall ensure that States and institu-
21 tions of higher education use fair and equitable methods
22 in reporting and that the reporting methods do not allow
23 identification of individuals.

24 “(b) SPECIAL RULE.—For each State that does not
25 use content assessments as a means of ensuring that all

1 teachers teaching in core academic subjects within the
2 State are highly qualified, as required under section 1119
3 of the Elementary and Secondary Education Act of 1965
4 and in accordance with the State plan submitted or revised
5 under section 1111 of such Act, and that each person em-
6 ployed as a special education teacher in the State who
7 teaches elementary school, middle school, or secondary
8 school is highly qualified by the deadline, as required
9 under section 612(a)(14)(C) of the Individuals with Dis-
10 abilities Education Act,—

11 “(1) the Secretary shall, to the extent prac-
12 ticable, collect data comparable to the data required
13 under this part from States, local educational agen-
14 cies, institutions of higher education, or other enti-
15 ties that administer such assessments to teachers or
16 prospective teachers; and

17 “(2) notwithstanding any other provision of this
18 part, the Secretary shall use such data to carry out
19 requirements of this part related to assessments,
20 pass rates, and scaled scores.

21 “(c) RELEASE OF INFORMATION TO TEACHER PREP-
22 ARATION PROGRAMS.—

23 “(1) IN GENERAL.—For the purpose of improv-
24 ing teacher preparation programs, a State edu-
25 cational agency that receives funds under this Act,

1 or that participates as a member of a partnership,
2 consortium, or other entity that receives such funds,
3 shall provide to a teacher preparation program, upon
4 the request of the teacher preparation program, any
5 and all pertinent education-related information
6 that—

7 “(A) may enable the teacher preparation
8 program to evaluate the effectiveness of the
9 program’s graduates or the program itself; and

10 “(B) is possessed, controlled, or accessible
11 by the State educational agency.

12 “(2) CONTENT OF INFORMATION.—The infor-
13 mation described in paragraph (1)—

14 “(A) shall include an identification of spe-
15 cific individuals who graduated from the teach-
16 er preparation program to enable the teacher
17 preparation program to evaluate the informa-
18 tion provided to the program from the State
19 educational agency with the program’s own
20 data about the specific courses taken by, and
21 field experiences of, the individual graduates;
22 and

23 “(B) may include—

24 “(i) kindergarten through grade 12
25 academic achievement and demographic

1 data, without revealing personally identifi-
2 able information about an individual stu-
3 dent, for students who have been taught by
4 graduates of the teacher preparation pro-
5 gram; and

6 “(ii) teacher effectiveness evaluations
7 for teachers who graduated from the teach-
8 er preparation program.

9 **“SEC. 208. AUTHORIZATION OF APPROPRIATIONS.**

10 “There are authorized to be appropriated to carry out
11 this part such sums as may be necessary for fiscal year
12 2008 and each of the 5 succeeding fiscal years.”.

13 **SEC. 202. REPEAL OF PART B (PREPARING TOMORROW’S**
14 **TEACHERS TO USE TECHNOLOGY).**

15 Title II (20 U.S.C. 1021 et seq.) is amended by re-
16 pealing Part B.

17 **SEC. 203. GENERAL PROVISIONS.**

18 Title II (20 U.S.C. 1021 et seq.) as amended by sec-
19 tion 202 of this Act is amended by adding at the end the
20 following:

21 **“PART B—GENERAL PROVISIONS**

22 **“SEC. 221. LIMITATIONS.**

23 “(a) FEDERAL CONTROL PROHIBITED.—Nothing in
24 this title shall be construed to permit, allow, encourage,
25 or authorize any Federal control over any aspect of any

1 private, religious, or home school, whether or not a home
2 school is treated as a private school or home school under
3 State law. This section shall not be construed to prohibit
4 private, religious, or home schools from participation in
5 programs or services under this title.

6 “(b) NO CHANGE IN STATE CONTROL ENCOURAGED
7 OR REQUIRED.—Nothing in this title shall be construed
8 to encourage or require any change in a State’s treatment
9 of any private, religious, or home school, whether or not
10 a home school is treated as a private school or home school
11 under State law.

12 “(c) NATIONAL SYSTEM OF TEACHER CERTIFI-
13 CATION OR LICENSURE PROHIBITED.—Nothing in this
14 title shall be construed to permit, allow, encourage, or au-
15 thorize the Secretary to establish or support any national
16 system of teacher certification or licensure.”.

17 **SEC. 204. TEACHER INCENTIVE FUND PROGRAM.**

18 Title II (20 U.S.C. 1021 et seq.), as amended by sec-
19 tion 203 of this Act, is further amended by adding at the
20 end the following:

21 **“PART C—TEACHER INCENTIVE FUND PROGRAM**

22 **“SEC. 231. PURPOSES; DEFINITIONS.**

23 “(a) PURPOSES.—The purposes of this part are—

24 “(1) to assist States, local educational agencies,
25 and nonprofit organizations to develop, implement,

1 or improve comprehensive performance-based com-
2 pensation systems for teachers and principals, espe-
3 cially for teachers and principals in high-need
4 schools, who raise student academic achievement and
5 close the achievement gap; and

6 “(2) to study and review performance-based
7 compensation systems for teachers and principals to
8 evaluate their effectiveness, fairness, quality, consist-
9 ency, and reliability.

10 “(b) DEFINITIONS.—For purposes of this part:

11 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-
12 tity’ means—

13 “(A) a local educational agency (including
14 a charter school that is a local educational
15 agency), or a consortium of such agencies;

16 “(B) a State educational agency, or other
17 State agency designated by the chief executive
18 of the State to participate under this subpart;

19 or

20 “(C) a partnership of—

21 “(i) one or more agencies described in
22 subparagraph (A) or (B), or both; and

23 “(ii) at least one nonprofit organiza-
24 tion.

1 “(2) HIGH-NEED LOCAL EDUCATIONAL AGEN-
2 CY.—The term ‘high-need local educational agency’
3 has the meaning given the term in section 201.

4 “(3) HIGH-NEED SCHOOL.—The term ‘high-
5 need school’ has the meaning given the term in sec-
6 tion 201.

7 “(4) PERFORMANCE-BASED COMPENSATION
8 SYSTEM.—The term ‘performance-based compensa-
9 tion system’ means a system of compensation for
10 teachers and principals that—

11 “(A) differentiates levels of compensation
12 primarily on the basis of measurable increases
13 in student academic achievement; and

14 “(B) may include—

15 “(i) differentiated levels of compensa-
16 tion on the basis of high-quality teachers’
17 and principals’ employment and success in
18 hard-to-staff schools or high-need subject
19 areas; and

20 “(ii) recognition of the skills and
21 knowledge of teachers and principals as
22 demonstrated through—

23 “(I) successful fulfillment of ad-
24 ditional responsibilities or job func-
25 tions; and

1 “(II) evidence of high achieve-
2 ment and mastery of content knowl-
3 edge and superior teaching skills.

4 **“SEC. 232. TEACHER INCENTIVE FUND GRANTS.**

5 “(a) IN GENERAL.—From the amounts appropriated
6 to carry out this part, the Secretary is authorized to make
7 grants on a competitive basis to eligible entities to develop,
8 implement, or improve performance-based compensation
9 systems in participating schools.

10 “(b) PRIORITY.—In making such a grant, the Sec-
11 retary shall give priority to an eligible entity that con-
12 centrates its proposed activities on teachers and principals
13 serving in high-need schools.

14 “(c) APPLICATIONS.—To be eligible to receive a grant
15 under this part, an eligible entity shall submit an applica-
16 tion to the Secretary, at such time and in such manner
17 as the Secretary may reasonably require, that includes—

18 “(1) a description of the performance-based
19 compensation system that the applicant proposes to
20 develop and implement or improve;

21 “(2) a description and demonstration of the
22 support and commitment from teachers and prin-
23 cipals in the targeted schools, the community, and
24 local educational agency or agencies for the perform-
25 ance-based compensation system, including dem-

1 onstration of consultation with teachers and prin-
2 cipals on the development and implementation of the
3 performance-based compensation system;

4 “(3) a description of how the eligible entity will
5 develop and implement a fair, rigorous, and objective
6 process to evaluate teacher, principal, and student
7 performance, including the baseline performance
8 against which evaluations of improved performance
9 will be made;

10 “(4) a description and demonstration of how
11 teacher and principal views were included in the de-
12 velopment of the performance-based compensation
13 system;

14 “(5) a description of the local educational agen-
15 cy or local educational agencies to be served by the
16 project, including such demographic information
17 about students in the schools to be served by the
18 project as the Secretary may request;

19 “(6) information on student academic achieve-
20 ment, the quality of the teachers and principals, and
21 existing compensation, bonuses, and incentive sys-
22 tems for teachers and principals in the schools to be
23 served by the project;

1 “(7) a description of how the applicant will use
2 grant funds under this part in each year of the
3 grant;

4 “(8) a description of the comprehensive, focused
5 professional development that is aligned with stu-
6 dent content and achievement standards that the ap-
7 plicant will implement to support the performance-
8 based compensation system;

9 “(9) an explanation of how the grantee will con-
10 tinue its performance-based compensation system
11 after the grant ends;

12 “(10) a description, if applicable, of how the ap-
13 plicant will define the term ‘high-quality’ for the
14 purposes of section 241(b)(4)(B)(i), through the use
15 of measurable indicators;

16 “(11) a description of the State, local, or phil-
17 anthropic funds that will be used to supplement the
18 grant and sustain the activities at the end of the
19 grant period; and

20 “(12) A description of how the applicant will
21 evaluate the project annually, including any objective
22 measures that are clearly related to the goals for the
23 project and information on how the evaluation will
24 produce quantitative and qualitative data.

25 “(d) USE OF FUNDS.—

1 “(1) IN GENERAL.—A grantee shall use grant
2 funds provided under this part only to develop, im-
3 plement, or improve, in collaboration with teachers,
4 principals, other school administrators, and members
5 of the public, a performance-based compensation
6 system consistent with the requirements of this part.

7 “(2) AUTHORIZED ACTIVITIES.—Authorized ac-
8 tivities under this part may include the following:

9 “(A) Developing appraisal systems that re-
10 flect clear and fair measures of student aca-
11 demic achievement.

12 “(B) Developing appraisal systems that re-
13 flect clear and fair measures of teacher and
14 principal performance based on demonstrated
15 improvements in student academic achievement.

16 “(C) Conducting outreach within the local
17 educational agency (or agencies) or the State to
18 gain input on how to construct the appraisal
19 system and to develop support for it.

20 “(D) Paying, as part of a comprehensive
21 performance-based compensation system, bo-
22 nuses and increased salaries to teachers and
23 principals who raise student academic achieve-
24 ment, so long as the grantee uses an increasing

1 share of non-Federal funds to pay these mone-
2 tary rewards each year of the grant.

3 “(E) Paying, as part of a comprehensive
4 performance-based compensation system, addi-
5 tional bonuses to teachers who both raise stu-
6 dent academic achievement and either teach in
7 high-need schools or teach subjects that are dif-
8 ficult to staff, or both, so long as the grantee
9 uses an increasing share of non-Federal funds
10 to pay these monetary rewards each year of the
11 grant.

12 “(F) Paying, as part of a comprehensive
13 performance-based compensation system, addi-
14 tional bonuses to principals who both raise stu-
15 dent academic achievement and serve in high-
16 need schools, so long as the grantee uses an in-
17 creasing share of non-Federal funds to pay
18 these monetary rewards each year of the grant.

19 “(e) DURATION OF GRANTS.—

20 “(1) IN GENERAL.—The Secretary may make
21 grants under this section for periods of up to 5
22 years.

23 “(2) LIMITATION.—An agency described in sub-
24 paragraph (A) of section 241(b)(1) may receive
25 (whether individually or as part of a consortium or

1 partnership) a grant under this part only once. Such
2 an agency may continue to receive that grant for the
3 period of that grant, but shall not receive (whether
4 individually or as part of a consortium or partner-
5 ship) any other grant under this part.

6 “(f) **EQUITABLE DISTRIBUTION.**—To the extent
7 practicable, the Secretary shall ensure an equitable geo-
8 graphic distribution of grants under this section.

9 “(g) **MATCHING REQUIREMENT.**—

10 “(1) Each eligible entity that receives a grant
11 under this section shall provide, from non-Federal
12 sources, an amount (which may be provided in cash
13 or in kind) to carry out the activities supported by
14 the grant equal to—

15 “(A) for the first year of the grant, 25 per-
16 cent of the amount received for that year under
17 the grant;

18 “(B) for the second year, 30 percent;

19 “(C) for the third year, 35 percent;

20 “(D) for the fourth year, 40 percent; and

21 “(E) for the fifth year, 50 percent.

22 “(2) The Secretary may waive all or part of the
23 matching requirement described in paragraph (1) for
24 any fiscal year for an eligible entity described in sec-
25 tion 241(b)(1)(A) if that eligible entity is a high-

1 need local educational agency, a consortium of high-
2 need local educational agencies, or a charter school
3 that is a high-need local educational agency and the
4 Secretary determines that applying the matching re-
5 quirement to such eligible entity would result in seri-
6 ous hardship or an inability to carry out the activi-
7 ties described in subsection (d).

8 “(h) SUPPLEMENT, NOT SUPPLANT.—Grant funds
9 provided under this section shall be used to supplement,
10 not supplant, other Federal or State funds.

11 **“SEC. 233. REPORT AND EVALUATION.**

12 “(a) REPORT.—The Secretary shall provide an an-
13 nual report on the implementation of the program to the
14 Congress.

15 “(b) EVALUATION.—

16 “(1) IN GENERAL.—The Secretary shall,
17 through grant or contract, carry out an independent
18 evaluation of the program under this part.

19 “(2) CONTENT.—The evaluation shall meas-
20 ure—

21 “(A) the effectiveness of the program in
22 improving student academic achievement;

23 “(B) the satisfaction of the participating
24 teachers or principals; and

1 “(C) the extent to which the program as-
2 sisted the eligible entities in recruiting and re-
3 taining high-quality teachers and principals, es-
4 pecially in hard-to-staff subject areas.

5 **“SEC. 234. AUTHORIZATION OF APPROPRIATIONS.**

6 “(a) IN GENERAL.—There are authorized to be ap-
7 propriated to carry out this part such sums as may be
8 necessary for fiscal year 2008 and each of the succeeding
9 5 fiscal years.

10 “(b) RESERVATION.—The Secretary may reserve not
11 more than 3 percent of the funds appropriated to carry
12 out this part for any one fiscal year for the cost of the
13 evaluation under section 243(b) and for technical assist-
14 ance and program outreach.”.

15 **SEC. 205. NATIONAL TEACHER CORPS.**

16 Title II (20 U.S.C. 1021 et seq.), as amended by sec-
17 tion 204 of this Act, is further amended by adding at the
18 end the following:

19 **“PART D—NATIONAL TEACHER CORPS**

20 **“SEC. 241. PURPOSES.**

21 “The purposes of this part are—

22 “(1) to raise the number of highly accomplished
23 recent college graduates teaching in underserved
24 urban and rural communities in the United States;

1 “(2) to increase the number of school districts
2 and communities served by a nationally recruited
3 corps of outstanding new teachers; and

4 “(3) to build a broader pipeline of talented and
5 experienced future leaders in public education and
6 education reform.

7 **“SEC. 242. DEFINITIONS.**

8 “In this part:

9 “(1) IN GENERAL.—The terms ‘highly quali-
10 fied’, ‘local educational agency’, and ‘Secretary’ have
11 the meanings given the terms in section 9101 of the
12 Elementary and Secondary Education Act of 1965
13 (20 U.S.C. 7801).

14 “(2) HIGH NEED.—The term ‘high need’, when
15 used with respect to a local educational agency,
16 means a local educational agency experiencing a
17 shortage of highly qualified teachers, as determined
18 by the Secretary.

19 **“SEC. 243. GRANT PROGRAM AUTHORIZED.**

20 “‘The Secretary is authorized to award a grant to a
21 highly-selective national teacher corps to implement and
22 expand its program of recruiting, selecting, training, and
23 supporting new teachers. The grantee shall be a highly
24 selective national teacher corps that—

1 “(1) focuses a national recruitment effort on re-
2 cent college graduates from all academic majors;

3 “(2) trains such graduates through intensive
4 summer institutes;

5 “(3) places such graduates as teachers in public
6 schools in school districts of high need local edu-
7 cational agencies in urban and rural communities
8 across multiple States; and

9 “(4) supports and measures the progress of
10 such teachers through intensive professional develop-
11 ment.

12 **“SEC. 244. GRANT REQUIREMENTS.**

13 “In carrying out the grant program under this part,
14 the Secretary shall enter into an agreement with the
15 grantee under which the grantee agrees to use the grant
16 funds—

17 “(1) to provide highly qualified teachers to high
18 need local educational agencies in urban and rural
19 communities;

20 “(2) to pay the cost of recruiting, selecting,
21 training, and supporting new teachers; and

22 “(3) to serve a substantial number and percent-
23 age of underserved students.

1 **“SEC. 245. AUTHORIZED ACTIVITIES.**

2 “Grant funds provided under this part shall be used
3 by the grantee to carry out each of the following activities:

4 “(1) Recruiting and selecting teachers through
5 a highly-selective national process.

6 “(2) Providing preservice training to selected
7 teachers through a rigorous summer institute that
8 includes hands-on teaching experience and signifi-
9 cant exposure to education coursework and theory.

10 “(3) Placing selected teachers in schools and
11 positions in high need local education agencies that
12 serve a high percentage of low-income students.

13 “(4) Providing ongoing professional develop-
14 ment activities for the selected teachers in the class-
15 room, including regular classroom observations and
16 feedback, and ongoing training and support.

17 **“SEC. 246. EVALUATION.**

18 “(a) ANNUAL REPORT.—The grantee shall provide to
19 the Secretary an annual report that includes—

20 “(1) data on the number and quality of the
21 teachers provided to local educational agencies
22 through the grant under this part;

23 “(2) an externally conducted analysis of the
24 satisfaction of local educational agencies and prin-
25 cipals with the teachers so provided; and

1 “(3) comprehensive data on the background of
2 the selected teachers, the training such teachers re-
3 ceived, the placement sites of the teachers, the pro-
4 fessional development of the teachers, and the reten-
5 tion of the teachers.

6 “(b) STUDY.—The Secretary shall provide for a study
7 comparing the academic achievement of students taught
8 by the teachers selected, trained, and placed under this
9 part with the academic achievement of students taught by
10 other teachers in the same schools and positions. The Sec-
11 retary shall provide for such a study not less than once
12 every 3 years, and each such study shall include multiple
13 local educational agencies. Each such study shall meet the
14 peer-review standards of the education research commu-
15 nity.

16 **“SEC. 247. AUTHORIZATION OF APPROPRIATIONS.**

17 “‘There are authorized to be appropriated to carry out
18 this part such sums for fiscal year 2008 and each of the
19 5 succeeding fiscal years .’”.

20 **SEC. 206. TRANSITION.**

21 The Secretary of Education shall take such actions
22 as the Secretary determines to be appropriate to provide
23 for the orderly implementation of this title.

1 **TITLE III—INSTITUTIONAL AID**

2 **SEC. 301. TITLE III GRANTS FOR AMERICAN INDIAN TRIB-**
3 **ALLY CONTROLLED COLLEGES AND UNIVER-**
4 **SITIES.**

5 (a) ELIGIBLE INSTITUTIONS.—Subsection (b) of sec-
6 tion 316 (20 U.S.C. 1059c(b)) is amended to read as fol-
7 lows:

8 “(b) DEFINITIONS.—

9 “(1) ELIGIBLE INSTITUTIONS.—For purposes
10 of this section, Tribal Colleges and Universities are
11 the following:

12 “(A) any of the following institutions that
13 qualify for funding under the Tribally Con-
14 trolled College or University Assistance Act of
15 1978 or is listed in the Equity in Educational
16 Land-Grant Status Act of 1994 (7 U.S.C. 301
17 note): Bay Mills Community College; Blackfeet
18 Community College; Cankdeska Cikana Com-
19 munity College; Chief Dull Knife College; Col-
20 lege of Menominee Nation; Crownpoint Insti-
21 tute of Technology; Diné College; D–Q Univer-
22 sity; Fond du Lac Tribal and Community Col-
23 lege; Fort Belknap College; Fort Berthold Com-
24 munity College; Fort Peck Community College;
25 Haskell Indian Nations University; Institute of

1 American Indian and Alaska Native Culture
2 and Arts Development; Lac Courte Oreilles
3 Ojibwa Community College; Leech Lake Tribal
4 College; Little Big Horn College; Little Priest
5 Tribal College; Nebraska Indian Community
6 College; Northwest Indian College; Oglala
7 Lakota College; Saginaw Chippewa Tribal Col-
8 lege; Salish Kootenai College; Si Tanka Univer-
9 sity—Eagle Butte Campus; Sinte Gleska Uni-
10 versity; Sisseton Wahpeton Community College;
11 Sitting Bull College; Southwestern Indian Poly-
12 technic Institute; Stone Child College; Tohono
13 O’odham Community College; Turtle Mountain
14 Community College; United Tribes Technical
15 College; and White Earth Tribal and Commu-
16 nity College; and

17 “(B) any other institution of higher edu-
18 cation that meets the definition of tribally con-
19 trolled college or university in section 2 of the
20 Tribally Controlled College or University Assist-
21 ance Act of 1978, and meets all other require-
22 ments of this section.

23 “(2) INDIAN.—The term ‘Indian’ has the mean-
24 ing given the term in section 2 of the Tribally Con-

1 trolled College or University Assistance Act of
2 1978.”.

3 (b) DISTANCE LEARNING.—Subsection (c)(2) of such
4 section is amended—

5 (1) by amending subparagraph (B) to read as
6 follows:

7 “(B) construction, maintenance, renova-
8 tion, and improvement in classrooms, libraries,
9 laboratories, and other instructional facilities,
10 including purchase or rental of telecommuni-
11 cations technology equipment or services, and
12 the acquisition of real property adjacent to the
13 campus of the institution on which to construct
14 such facilities;”;

15 (2) in subparagraph (C), by inserting before the
16 semicolon at the end the following: “, or advanced
17 degrees in tribal governance or tribal public policy”;

18 (3) in subparagraph (D), by inserting before
19 the semicolon at the end the following: “, in tribal
20 governance, or in tribal public policy”;

21 (4) by striking “and” at the end of subpara-
22 graph (K);

23 (5) by redesignating subparagraph (L) as sub-
24 paragraph (M); and

1 (6) by inserting after subparagraph (K) the fol-
2 lowing new subparagraph:

3 “(L) developing or improving facilities for
4 Internet use or other distance learning aca-
5 demic instruction capabilities; and”.

6 (c) APPLICATION AND ALLOTMENT.—Subsection (d)
7 of such section is amended to read as follows:

8 “(d) APPLICATION AND ALLOTMENT.—

9 “(1) INSTITUTIONAL ELIGIBILITY.—To be eligi-
10 ble to receive assistance under this section, a Tribal
11 College or University shall be an eligible institution
12 under section 312(b).

13 “(2) APPLICATION.—Any Tribal College or Uni-
14 versity desiring to receive assistance under this sec-
15 tion shall submit an application to the Secretary at
16 such time, and in such manner, as the Secretary
17 may reasonably require.

18 “(3) ALLOTMENTS TO INSTITUTIONS.—

19 “(A) ALLOTMENT: PELL GRANT BASIS.—
20 From the amount appropriated to carry out
21 this section for any fiscal year, the Secretary
22 shall allot to each eligible institution a sum
23 which bears the same ratio to one-half that
24 amount as the number of Pell Grant recipients
25 in attendance at such institution at the end of

1 the award year preceding the beginning of that
2 fiscal year bears to the total number of Pell
3 Grant recipients at all eligible institutions.

4 “(B) ALLOTMENT: DEGREE AND CERTIFI-
5 CATE BASIS.—From the amount appropriated
6 to carry out this section for any fiscal year, the
7 Secretary shall allot to each eligible institution
8 a sum which bears the same ratio to one-half
9 that amount as the number of degrees or cer-
10 tificates awarded by such institution during the
11 preceding academic year bears to the total num-
12 ber of degrees or certificates awarded by all eli-
13 gible institutions.

14 “(C) MINIMUM GRANT.—Notwithstanding
15 subparagraphs (A) and (B), the amount allot-
16 ted to each institution under this section shall
17 not be less than \$500,000.

18 “(4) SPECIAL RULES.—

19 “(A) CONCURRENT FUNDING.—For the
20 purposes of this part, no Tribal College or Uni-
21 versity that is eligible for and receives funds
22 under this section shall concurrently receive
23 funds under other provisions of this part or
24 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. 302. ALASKA NATIVE AND NATIVE HAWAIIAN-SERVING**
5 **INSTITUTIONS.**

6 (a) DISTANCE LEARNING.—Section 317(c)(2) (20
7 U.S.C. 1059d(c)(2)) is amended—

8 (1) by amending subparagraph (B) to read as
9 follows:

10 “(B) construction, maintenance, renova-
11 tion, and improvement in classrooms, libraries,
12 laboratories, and other instructional facilities,
13 including purchase or rental of telecommuni-
14 cations technology equipment or services, and
15 the acquisition of real property adjacent to the
16 campus of the institution on which to construct
17 such facilities;”;

18 (2) in subparagraph (C), by inserting before the
19 semicolon at the end the following: “, or advanced
20 degrees in tribal governance or tribal public policy”;

21 (3) in subparagraph (D), by inserting before
22 the semicolon at the end the following: “, in tribal
23 governance, or tribal public policy”;

24 (4) by striking “and” at the end of subpara-
25 graph (G);

1 (5) by striking the period at the end of sub-
2 paragraph (H) and inserting a semicolon; and

3 (6) by inserting after subparagraph (H) the fol-
4 lowing new subparagraph:

5 “(I) development or improvement of facili-
6 ties for Internet use or other distance learning
7 academic instruction capabilities; and”.

8 (b) ENDOWMENT FUNDS.—Section 317(c) is further
9 amended by adding at the end the following new para-
10 graph:

11 “(3) ENDOWMENT FUNDS.—

12 “(A) IN GENERAL.—An Alaska Native-
13 serving institution or Native Hawaiian-serving
14 institution may use not more than 20 percent
15 of the grant funds provided under this section
16 to establish or increase an endowment fund at
17 the institution.

18 “(B) MATCHING REQUIREMENT.—In order
19 to be eligible to use grant funds in accordance
20 with subparagraph (A), the institution shall
21 provide to the endowment fund from non-Fed-
22 eral funds an amount equal to the Federal
23 funds used in accordance with subparagraph
24 (A), for the establishment or increase of the en-
25 dowment fund.

1 “(C) APPLICABILITY OF OTHER PROVI-
2 SIONS.—The provisions of part C regarding the
3 establishment or increase of an endowment
4 fund, that the Secretary determines are not in-
5 consistent with this paragraph, shall apply to
6 funds used under subparagraph (A).”.

7 (c) APPLICATION PROCESS.—Section 317(d)(2) is
8 amended by striking everything after the first sentence.

9 **SEC. 303. GRANTS TO PART B INSTITUTIONS.**

10 (a) USE OF FUNDS.—

11 (1) FACILITIES AND EQUIPMENT.—

12 (A) UNDERGRADUATE INSTITUTIONS.—

13 Paragraph (2) of section 323(a) (20 U.S.C.
14 1062(a)) is amended to read as follows:

15 “(2) Construction, maintenance, renovation,
16 and improvement in classrooms, libraries, labora-
17 tories, and other instructional facilities, including de-
18 velopment or improvement of facilities for Internet
19 use or other distance learning academic instruction
20 capabilities and purchase or rental of telecommuni-
21 cations technology equipment or services, and the
22 acquisition of real property adjacent to the campus
23 of the institution on which to construct such facili-
24 ties.”.

1 (B) GRADUATE AND PROFESSIONAL
2 SCHOOLS.—Paragraph (2) of section 326(c) (20
3 U.S.C. 1063b(c)) is amended to read as follows:

4 “(2) construction, maintenance, renovation, and
5 improvement in classrooms, libraries, laboratories,
6 and other instructional facilities, including purchase
7 or rental of telecommunications technology equip-
8 ment or services, and the acquisition of real property
9 adjacent to the campus of the institution on which
10 to construct such facilities;”.

11 (2) OUTREACH AND COLLABORATION.—Para-
12 graph (11) of section 323(a) (20 U.S.C. 1062(a)) is
13 amended to read as follows:

14 “(11) Establishing community outreach pro-
15 grams and collaborative partnerships between part B
16 institutions and local elementary or secondary
17 schools. Such partnerships may include mentoring,
18 tutoring, or other instructional opportunities that
19 will boost student academic achievement and assist
20 elementary and secondary school students in devel-
21 oping the academic skills and the interest to pursue
22 postsecondary education.”.

23 (b) TECHNICAL ASSISTANCE.—Section 323 (20
24 U.S.C. 1062) is amended—

1 (1) by redesignating subsection (c) as sub-
2 section (d); and

3 (2) by inserting after subsection (b) the fol-
4 lowing new subsection:

5 “(c) TECHNICAL ASSISTANCE.—

6 “(1) IN GENERAL.—An institution may not use
7 more than 2 percent of the grant funds provided
8 under this part to secure technical assistance.

9 “(2) TECHNICAL ASSISTANCE.—Technical as-
10 sistance may include assistance with enrollment
11 management, financial management, and strategic
12 planning.

13 “(3) REPORT.—The institution shall report to
14 the Secretary on an annual basis, in such form as
15 the Secretary requires, on the use of funds under
16 this subsection.”.

17 (c) MINIMUM GRANTS.—Section 324(d)(1) (20
18 U.S.C. 1063(d)(1)) is amended by inserting before the pe-
19 riod at the end the following: “, except that, if the amount
20 appropriated to carry out this part for any fiscal year ex-
21 ceeds the amount needed to provide to each institution an
22 amount equal to the total amount received by such institu-
23 tion under subsections (a), (b), and (c) for the preceding
24 fiscal year, then the amount of such excess appropriation

1 shall first be applied to increase the minimum allotment
2 under this subsection to \$750,000”.

3 (d) ELIGIBLE GRADUATE OR PROFESSIONAL
4 SCHOOLS.—

5 (1) GENERAL AUTHORITY.—Section 326(a)(1)
6 (20 U.S.C. 1063b(a)(1)) is amended—

7 (A) by inserting “(A)” after “subsection
8 (e) that”; and

9 (B) by inserting before the period at the
10 end the following: “, (B) is accredited by a na-
11 tionally recognized accrediting agency or asso-
12 ciation determined by the Secretary to be a reli-
13 able authority as to the quality of training of-
14 fered, and (C) according to such an agency or
15 association, is in good standing”.

16 (2) ELIGIBLE INSTITUTIONS.—Section
17 326(e)(1) (20 U.S.C. 1063b(e)(1)) is amended—

18 (A) by striking “and” at the end of sub-
19 paragraph (Q);

20 (B) by striking the period at the end of
21 subparagraph (R) and inserting a semicolon;
22 and

23 (C) by adding at the end the following new
24 subparagraphs:

1 “(S) Alabama State University qualified
2 graduate program;

3 “(T) Prairie View A & M University quali-
4 fied graduate program;

5 “(U) Coppin State University qualified
6 graduate program;

7 “(V) Delaware State University qualified
8 graduate program;

9 “(W) Langston University qualified grad-
10 uate program;

11 “(X) West Virginia State University quali-
12 fied graduate program; and

13 “(Y) Fayetteville State University qualified
14 graduate program.”.

15 (3) CONFORMING AMENDMENT.—Section
16 326(e)(3) (20 U.S.C. 1063b(e)(3)) is amended—

17 (A) by striking “1998” and inserting
18 “2006”; and

19 (B) by striking “(Q) and (R)” and insert-
20 ing “(S) through (Y)”.

21 (e) PROFESSIONAL OR GRADUATE INSTITUTIONS.—
22 Section 326(f) (20 U.S.C. 1063b(f)) is amended—

23 (1) in paragraph (1)—

24 (A) by striking “\$26,600,000” and insert-
25 ing “\$54,500,000”; and

1 (B) by striking “(P)” and inserting “(R)”;

2 (2) in paragraph (2)—

3 (A) by striking “\$26,600,000, but not in
4 excess of \$28,600,000” and inserting
5 “\$54,500,000, but not in excess of
6 \$58,500,000”; and

7 (B) by striking “subparagraphs (Q) and
8 (R)” and inserting “subparagraphs (S) through
9 (Y)”; and

10 (3) in paragraph (3)—

11 (A) by striking “\$28,600,000” and insert-
12 ing “\$58,500,000”; and

13 (B) by striking “(R)” and inserting “(Y)”.

14 (f) HOLD HARMLESS.—Section 326(g) (20 U.S.C.
15 1063b(g)) is amended by striking “1998” each place it
16 appears and inserting “2006”.

17 **SEC. 304. TECHNICAL AMENDMENTS.**

18 (a) AMENDMENTS.—Title III is further amended—

19 (1) in section 311(c) (20 U.S.C. 1057(c))—

20 (A) by redesignating paragraphs (7)
21 through (12) as paragraphs (8) through (13),
22 respectively; and

23 (B) by inserting after paragraph (6) the
24 following:

1 “(7) Education or counseling services designed
2 to improve the financial literacy and economic lit-
3 eracy of students and, as appropriate, their par-
4 ents.”;

5 (2) in section 312(b)(1)(A) (20 U.S.C.
6 1058(b)(1)(A)), by striking “subsection (c)” and in-
7 serting “subsection (d)”;

8 (3) in section 312(b)(1)(F) (20 U.S.C.
9 1058(b)(1)(F)), by inserting “which is” before “lo-
10 cated”;

11 (4) in section 312(b)(1) (20 U.S.C.
12 1058(b)(1)), by redesignating subparagraphs (E)
13 and (F) as subparagraphs (F) and (G), respectively,
14 and by inserting after subparagraph (D) the fol-
15 lowing new subparagraph:

16 “(E) which provides a program that is not
17 less than a 2-year educational program that is
18 acceptable for full credit toward a bachelor’s de-
19 gree;”;

20 (5) in section 316(c)(2) (20 U.S.C.
21 1059c(c)(2))—

22 (A) by redesignating subparagraphs (G)
23 through (M) (as redesignated by section
24 301(b)(5) of this Act) as subparagraphs (H)
25 through (N), respectively;

1 (B) by inserting after subparagraph (F)
2 the following:

3 “(G) education or counseling services de-
4 signed to improve the financial literacy and eco-
5 nomic literacy of students and, as appropriate,
6 their parents;” and

7 (C) in subparagraph (N), as redesignated
8 by subparagraph (A), by striking “subpara-
9 graphs (A) through (K)” and inserting “sub-
10 paragraphs (A) through (M)”;

11 (6) in section 317(c)(2) (20 U.S.C.
12 1059d(c)(2)), by inserting after subparagraph (I)
13 (as added by section 302(a)(6) of this Act) the fol-
14 lowing:

15 “(J) education or counseling services de-
16 signed to improve the financial literacy and eco-
17 nomic literacy of students and, as appropriate,
18 their parents.”;

19 (7) in section 323(a) (20 U.S.C. 1062(a))—

20 (A) by striking “section 360(a)(2)” and in-
21 serting “section 399(a)(2)(A)”;

22 (B) by redesignating paragraphs (7)
23 through (12) as paragraphs (8) through (13),
24 respectively; and

1 (C) by inserting after paragraph (6) the
2 following:

3 “(7) Education or counseling services designed
4 to improve the financial literacy and economic lit-
5 eracy of students and, as appropriate, their par-
6 ents.”;

7 (8) in section 324(d)(2) (20 U.S.C.
8 1063(d)(2)), by striking “section 360(a)(2)(A)” and
9 inserting “section 399(a)(2)(A)”;

10 (9) in section 326(e)(1) (20 U.S.C.
11 1063b(e)(1)), in the matter preceding subparagraph
12 (A), by inserting a colon after “the following”;

13 (10) in section 327(b) (20 U.S.C. 1063c(b)), by
14 striking “initial”;

15 (11) in section 342(5)(C) (20 U.S.C.
16 1066a(5)(C))—

17 (A) by inserting a comma after “equip-
18 ment” the first place it appears; and

19 (B) by striking “technology,,” and insert-
20 ing “technology,”;

21 (12) in section 343(e) (20 U.S.C. 1066b(e)), by
22 inserting after the subsection designation the fol-
23 lowing: “SALE OF QUALIFIED BONDS.—”;

24 (13) in section 351(a) (20 U.S.C. 1067a(a)), by
25 striking “of 1979”;

1 (14) in section 391(b)(7)(E) (20 U.S.C.
2 1068(b)(7)(E)), by striking “subparagraph (E)” and
3 inserting “subparagraph (D)”; and

4 (15) in section 396 (20 U.S.C. 1068e), by strik-
5 ing “section 360” and inserting “section 399”.

6 (b) REPEAL.—Section 1024 (20 U.S.C. 1135b–3), as
7 transferred by section 301(a)(5) of the Higher Education
8 Amendments of 1998 (Public Law 105–244; 112 Stat.
9 1636), is repealed.

10 **SEC. 305. TITLE III AUTHORIZATIONS.**

11 Section 399(a) (20 U.S.C. 1068h(a)) is amended—

12 (1) by striking “1999” each place it appears
13 and inserting “2007”;

14 (2) by striking “4 succeeding fiscal years” each
15 place it appears and inserting “5 succeeding fiscal
16 years”;

17 (3) in paragraph (1)—

18 (A) by striking “\$10,000,000” in subpara-
19 graph (B) and inserting “\$23,800,000”; and

20 (B) by striking “\$5,000,000” in subpara-
21 graph (C) and inserting “\$11,900,000”;

22 (4) in paragraph (2)—

23 (A) by striking “\$135,000,000” in sub-
24 paragraph (A) and inserting “\$241,000,000”;

25 and

1 (B) by striking “\$35,000,000” in subpara-
2 graph (B) and inserting “\$59,000,000”; and
3 (5) in paragraph (4), by striking “\$110,000”
4 and inserting “\$212,000”.

5 **TITLE IV—STUDENT ASSISTANCE**

6 **PART A—GRANTS TO STUDENTS**

7 **SEC. 401. PELL GRANTS.**

8 (a) EXTENSION OF AUTHORITY.—Section 401(a) (20
9 U.S.C. 1070a(a)) is amended by striking “2004” and in-
10 serting “2013”.

11 (b) DIRECT PAYMENT.—Section 401(a) (20 U.S.C.
12 1070a(a)) is further amended—

13 (1) by striking paragraph (2); and

14 (2) by redesignating paragraph (3) as para-
15 graph (2).

16 (c) MAXIMUM PELL GRANT INCREASE.—Paragraph
17 (2)(A) of section 401(b) 20 U.S.C. 1070a(b)(2)(A)) is
18 amended to read as follows:

19 “(2)(A) The amount of the Federal Pell Grant for
20 a student eligible under this part shall be \$6,000 for aca-
21 demic years 2008–2009 through 2013–2014, less an
22 amount equal to the amount determined to be the expected
23 family contribution with respect to that student for that
24 year.”.

1 (d) MULTIPLE GRANTS.—Paragraph (5) of section
2 401(b) (as redesignated by subsection (d)(2)) is amended
3 to read as follows:

4 “(5) YEAR-ROUND PELL GRANTS.—

5 “(A) IN GENERAL.—The Secretary shall,
6 for students enrolled full time in a baccalaureate or associate’s degree program of study
7 at an eligible institution, award such students
8 not more than two Pell grants during an award
9 year to permit such students to accelerate
10 progress toward their degree objectives by enrolling in academic programs for 12 months
11 rather than 9 months.

12 “(B) LIMITATION.—The Secretary shall
13 limit the awarding of additional Pell grants
14 under this paragraph to students attending—

15 “(i) baccalaureate degree granting institutions that have a graduation rate as
16 reported by the Integrated Postsecondary Education Data System for the 4 preceding
17 academic years of at least 30 percent; or
18

19 “(ii) two-year institutions that have a
20 graduation rate as reported by the Integrated Postsecondary Education Data Sys-
21
22
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25

1 tems, in at least one of the last 3 years for
2 which data is available, that is above the
3 average for the applicable year for the in-
4 stitution’s type and control.

5 “(C) EVALUATION.—The Secretary shall
6 conduct an evaluation of the program under
7 this paragraph and submit to the Congress an
8 evaluation report no later than October 1,
9 2011.

10 “(D) REGULATIONS REQUIRED.—The Sec-
11 retary shall promulgate regulations imple-
12 menting this paragraph.”.

13 (e) INELIGIBILITY BASED ON INVOLUNTARY CIVIL
14 COMMITMENT FOR SEXUAL OFFENSES.—Paragraph (7)
15 of section 401(b) (as redesignated by subsection (d)(2))
16 is amended by inserting before the period the following:
17 “or who is subject to an involuntary civil commitment
18 upon completion of a period of incarceration for a forcible
19 or nonforcible sexual offense (as determined in accordance
20 with the Federal Bureau of Investigation’s Uniform Crime
21 Reporting Program)”.

22 (f) PELL GRANT ELIGIBILITY DURATION.—Section
23 401(c) (20 U.S.C. 1070a(c)) is amended—

24 (1) in paragraph (1)—

1 (A) by striking “The period” and inserting
2 in lieu thereof “Subject to paragraph (5), the
3 period”; and

4 (B) by striking the period at the end there-
5 of and inserting “but shall be subject to the
6 limitation described in paragraph (5).”; and

7 (2) by adding at the end the following new
8 paragraph:

9 “(5) The period during which a student may receive
10 Federal Pell Grants shall not exceed the equivalent of 18
11 semesters or 27 quarters in duration (as determined by
12 the Secretary by regulation), without regard to whether
13 the student is enrolled on a full-time basis during any por-
14 tion of that period, and including any period of time for
15 which the student received Federal Pell Grants prior to
16 the date of enactment of the College Access and Oppor-
17 tunity Act of 2006.”.

18 (g) ELIGIBILITY PERIOD.—Section 401(c)(2) (20
19 U.S.C. 1070a(c)(2)) is amended by inserting “, for not
20 more than one academic year,” after “which are deter-
21 mined by the institution” in the first sentence.

22 (h) ACADEMIC COMPETITIVENESS GRANT ELIGI-
23 BILITY.—Section 401A(c)(3) (as added by section 8003
24 of the Higher Education Reconciliation Act of 2005) is
25 amended by striking “established by a State or local edu-

1 cational agency and recognized as such by the Secretary”
2 each place it appears in subsections (c)(3)(A)(i) and
3 (c)(3)(B)(i) and inserting “that prepares students for col-
4 lege and work beyond the basic graduation requirements
5 and that is recognized as such by the designated State
6 official, or with respect to any private school or home
7 school, the designated school official for such school”.

8 (i) CONFORMING AMENDMENT.—Chapter 3 of sub-
9 part 2 of part A of title IV (20 U.S.C. 1070a–31 through
10 1070a–35) is repealed.

11 (j) EFFECTIVE DATE.—The amendments made by
12 this section shall be effective with respect to academic
13 years beginning on or after July 1, 2008.

14 **SEC. 402. TRIO PROGRAMS.**

15 (a) DURATION OF GRANTS.—

16 (1) AMENDMENT.—Section 402A(b)(2) (20
17 U.S.C. 1070a–11(b)(2)) is amended to read as fol-
18 lows:

19 “(2) DURATION.—Grants or contracts awarded
20 under this chapter shall be awarded for a period of
21 5 years, except that—

22 “(A) grants under section 402G shall be
23 awarded for a period of 2 years; and

1 “(B) grants under section 402H shall be
2 awarded for a period determined by the Sec-
3 retary.”.

4 (2) TRANSITION TO SYNCHRONOUS GRANT PE-
5 RIODS.—Notwithstanding section 402A(b)(2) of the
6 Higher Education Act of 1965 (as in effect both
7 prior to and after the amendment made by para-
8 graph (1) of this subsection), the Secretary of Edu-
9 cation may continue an award made before the date
10 of enactment of this Act under section 402B, 402C,
11 402D, 402E, or 402F of such Act as necessary to
12 permit all the awards made under such a section to
13 expire at the end of the same fiscal year, and there-
14 after to expire at the end of 5 years as provided in
15 the amendment made by paragraph (1) of this sub-
16 section.

17 (b) MINIMUM GRANTS.—Section 402A(b)(3) (20
18 U.S.C. 1070a–11(b)(3)) is amended to read as follows:

19 “(3) MINIMUM GRANTS.—Unless the institution
20 or agency requests a smaller amount, individual
21 grants for programs authorized under this chapter
22 shall be no less than \$200,000, except that indi-
23 vidual grants for programs authorized under section
24 402G shall be no less than \$170,000.”.

1 (c) APPLICATION STATUS; FOSTER CARE COORDINA-
2 TION.—Paragraph (7) of section 402A(e) (20 U.S.C.
3 1070a–11(e)(7)) is amended to read as follows:

4 “(7) COORDINATION.—Each applicant for funds
5 under the programs authorized by this chapter shall
6 identify services to foster care youth as a permissible
7 service in those programs, and ensure that such
8 youth receive supportive services, including men-
9 toring, tutoring, and other services provided by those
10 programs.”.

11 (d) DOCUMENTATION OF STATUS.—Section 402A(e)
12 (20 U.S.C. 1070a–11(e)) is amended by striking “(g)(2)”
13 each place it appears in paragraphs (1) and (2) and insert-
14 ing “(i)(4)”.

15 (e) HOMELESS AND UNACCOMPANIED YOUTH.—Sec-
16 tion 402A(e) is further amended by adding at the end the
17 following new paragraph:

18 “(3) Notwithstanding this subsection and subsection
19 (i)(4), individuals who are homeless or unaccompanied
20 youth as defined in section 725 of the McKinney-Vento
21 Homeless Assistance Act shall be eligible to participate in
22 programs under sections 402B, 402C, 402D, and 402F
23 of this chapter.”.

24 (f) AUTHORIZATION OF APPROPRIATIONS.—Section
25 402A(f) (20 U.S.C. 1070a–11(f)) is amended by striking

1 “\$700,000,000 for fiscal year 1999, and such sums as
2 may be necessary for each of the 4 succeeding fiscal years”
3 and inserting “\$836,500,000 for fiscal year 2008 and
4 such sums as may be necessary for each of the 5 suc-
5 ceeding fiscal years”.

6 (g) DEFINITION.—Section 402A(g) (20 U.S.C.
7 1070a–11(g)) is amended—

8 (1) in paragraph (3)—

9 (A) by striking “by reason of such individ-
10 ual’s age”;

11 (B) in subparagraph (A), by striking “or”
12 at the end;

13 (C) in subparagraph (B), by striking the
14 period and inserting “; or”; and

15 (D) by adding at the end the following new
16 subparagraph (C):

17 “(C) was a member of a reserve component
18 of the Armed Forces who served on active duty
19 in support of a contingency operation (as that
20 term is defined in section 101(a)(13) of title
21 10, United States Code) on or after September
22 11, 2001.”;

23 (2) by redesignating paragraphs (1) through

24 (4) as paragraphs (3) through (6), respectively; and

1 (3) by inserting before paragraph (3), as redesi-
2 gnated, the following:

3 “(1) DIFFERENT CAMPUS.—The term ‘different
4 campus’ means an institutional site that—

5 “(A) is geographically apart from the main
6 campus of the institution;

7 “(B) is permanent in nature; and

8 “(C) offers courses in educational pro-
9 grams leading to a degree, certificate, or other
10 recognized educational credential.

11 “(2) DIFFERENT POPULATION.—The term ‘dif-
12 ferent population’ means a group of individuals, with
13 respect to whom an entity seeks to serve through an
14 application for funding under this chapter, that—

15 “(A) is separate and distinct from any
16 other population that the entity seeks to serve
17 through an application for funding under this
18 chapter; or

19 “(B) while sharing some of the same needs
20 as another population that the entity seeks to
21 serve through an application for funding under
22 this chapter, has distinct needs for specialized
23 services.”.

1 (h) EDUCATION AND COUNSELING SERVICES.—
2 Chapter 1 of subpart 2 of part A of title IV is further
3 amended—

4 (1) in section 402B(b) (20 U.S.C. 1070a–
5 12(b))—

6 (A) by redesignating paragraphs (3)
7 through (10) as paragraphs (4) through (11),
8 respectively;

9 (B) by inserting after paragraph (2) the
10 following:

11 “(3) education or counseling services designed
12 to improve the financial literacy and economic lit-
13 eracy of students and, as appropriate, their par-
14 ents;” and

15 (C) in paragraph (11), as redesignated by
16 subparagraph (A), by striking “paragraphs (1)
17 through (9)” and inserting “paragraphs (1)
18 through (10)”;

19 (2) in section 402C (20 U.S.C. 1070a–13)—

20 (A) in subsection (b)—

21 (i) by redesignating paragraphs (2)
22 through (12) as paragraphs (3) through
23 (13), respectively;

24 (ii) by inserting after paragraph (1)
25 the following:

1 “(2) education or counseling services designed
2 to improve the financial literacy and economic lit-
3 eracy of students and, as appropriate, their par-
4 ents;”;

5 (iii) in paragraph (12), as redesign-
6 nated by clause (i), by inserting “, specifi-
7 cally in the fields of math and science”
8 after “postsecondary education”; and

9 (iv) in paragraph (13), as redesign-
10 nated by clause (i), by striking “para-
11 graphs (1) through (11)” and inserting
12 “paragraphs (1) through (12)”; and

13 (B) in subsection (e), by striking “sub-
14 section (b)(10)” and inserting “subsection
15 (b)(11)”;

16 (3) in section 402D(b) (20 U.S.C. 1070a-
17 14(b))—

18 (A) by redesignating paragraphs (2)
19 through (10) as paragraphs (3) through (11),
20 respectively;

21 (B) by inserting after paragraph (1) the
22 following:

23 “(2) education or counseling services designed
24 to improve the financial literacy and economic lit-
25 eracy of students;” and

1 (C) in paragraph (11), as redesignated by
2 subparagraph (A), by striking “paragraphs (1)
3 through (9)” and inserting “paragraphs (1)
4 through (10)”;

5 (4) in section 402E(b) (20 U.S.C. 1070a–
6 15(b))—

7 (A) by redesignating paragraphs (7) and
8 (8) as paragraphs (8) and (9), respectively; and

9 (B) by inserting after paragraph (6) the
10 following:

11 “(7) education or counseling services designed
12 to improve the financial literacy and economic lit-
13 eracy of students and, as appropriate, their par-
14 ents;”; and

15 (5) in section 402F(b) (20 U.S.C. 1070a–
16 16(b))—

17 (A) by redesignating paragraphs (4)
18 through (10) as paragraphs (5) through (11),
19 respectively;

20 (B) by inserting after paragraph (3) the
21 following:

22 “(4) education or counseling services designed
23 to improve the financial literacy and economic lit-
24 eracy of students and, as appropriate, their par-
25 ents;”; and

1 (C) in paragraph (11), as redesignated by
2 subparagraph (A), by striking “paragraphs (1)
3 through (9)” and inserting “paragraphs (1)
4 through (10)”.

5 (i) MAXIMUM STIPENDS.—Section 402C(e) (20
6 U.S.C. 1070a–13(e)) is amended—

7 (1) by striking “\$60” and inserting “\$100”;

8 and

9 (2) by striking “\$40” and inserting “\$60”.

10 (j) STUDENT SUPPORT SERVICES.—Section
11 402D(d)(6) (20 U.S.C. 1070a–14(d)(6)) is amended—

12 (1) by striking “and” at the end of subpara-
13 graph (A);

14 (2) by striking the period at the end of sub-
15 paragraph (B) and inserting “; and”; and

16 (3) by inserting after subparagraph (B) the fol-
17 lowing new subparagraph:

18 “(C) working with other entities that serve
19 low-income working adults to increase access to
20 and successful progress in postsecondary edu-
21 cation by low-income working adults seeking
22 their first postsecondary degree or certificate.”.

23 (k) POSTBACCALAUREATE ACHIEVEMENT MAXIMUM
24 STIPENDS.—Section 402E(e)(1) (20 U.S.C. 1070a–

1 15(e)(1)) is amended by striking “\$2,800” and inserting
2 “\$5,000”.

3 (l) EDUCATIONAL OPPORTUNITY CENTERS: APPLICA-
4 TION APPROVAL.—Section 402F(c) (20 U.S.C. 1070a-
5 16(c)) is amended—

6 (1) by striking “and” at the end of paragraph
7 (2);

8 (2) by striking the period at the end of para-
9 graph (3) and inserting “; and”; and

10 (3) by inserting after paragraph (3) the fol-
11 lowing new paragraph:

12 “(4) consider the extent to which the proposed
13 project would provide services to low-income working
14 adults in the region to be served, in order to in-
15 crease access to postsecondary education by low-in-
16 come working adults.”.

17 (m) GAO STUDY OF ALLOCATION OF FUNDS.—

18 (1) STUDY REQUIRED.—The Comptroller Gen-
19 eral shall conduct a study of the Federal TRIO Pro-
20 grams under chapter 1 of subpart 2 of part A of
21 title IV of the Higher Education Act of 1965 (20
22 U.S.C. 1070a-11 et seq.) to examine the allocation
23 of funds procedures for such programs. Such study
24 shall—

1 (A) examine the consideration of prior ex-
2 perience of service delivery and its impact on
3 grant applicants who have prior experience as
4 compared to those who do not have prior expe-
5 rience; and

6 (B) examine the impact of the prior experi-
7 ence consideration in distribution of funds
8 across programs and the impact of maintaining
9 continuation of older programs on the success
10 rate of accomplishing the goals of the program.

11 (2) REPORT.—The Comptroller General shall
12 submit a report on the study required by paragraph
13 (1) within one year of the date of enactment of this
14 Act to the Committee on Education and Labor of
15 the House of Representatives and the Committee on
16 Health, Education, Labor, and Pensions of the Sen-
17 ate.

18 **SEC. 403. TRIO REFORM.**

19 (a) PERFORMANCE MEASURES.—Section 402A (20
20 U.S.C. 1070a–11) is amended—

21 (1) by redesignating subsections (c), (d), (e),
22 (f), and (g) as subsections (d), (e), (g), (h), and (i),
23 respectively; and

24 (2) by inserting after subsection (b) the fol-
25 lowing new subsection:

1 “(c) PERFORMANCE MEASURES.—

2 “(1) IN GENERAL.—The Secretary shall estab-
3 lish expected program outcomes and procedures for
4 measuring, annually and for longer periods, the
5 quality and effectiveness of programs operated under
6 this chapter, and the impact of these programs in
7 supporting the attainment of higher education for
8 students from disadvantaged backgrounds, particu-
9 larly low-income individuals, prospective first-genera-
10 tion college students, and individuals with disabili-
11 ties.

12 “(2) USE OF MEASURES.—The performance
13 measures described in paragraph (1) shall consider
14 demographic and geographic variation and be used
15 to—

16 “(A) assess the impact of the specific serv-
17 ices provided by recipients of grants or con-
18 tracts under this chapter and, to the extent the
19 Secretary finds appropriate, administrative and
20 financial management practices of such pro-
21 grams;

22 “(B) identify strengths and weaknesses in
23 the provision of services provided by grantees
24 under this chapter;

1 “(C) identify project operations that may
2 require training and technical assistance re-
3 sources.

4 “(3) ADDITIONAL MEASURES.—In addition to
5 the performance measures in paragraph (1), each
6 grant recipient may establish local performance
7 measures.”.

8 (b) SELECTION.—Subsection (d) of such section (as
9 redesignated by subsection (a)(1) of this section) is
10 amended—

11 (1) by redesignating paragraphs (2) through
12 (6) as paragraphs (3) through (7), respectively; and

13 (2) by inserting after paragraph (1) the fol-
14 lowing new paragraph:

15 “(2) SELECTION.—

16 “(A) IN GENERAL.—In awarding grants
17 from among qualified applicants, the Secretary
18 shall consider the effectiveness of each applicant
19 in providing services under this chapter, based
20 on—

21 “(i) the plan of such applicant to de-
22 liver program services and achieve expected
23 program outcomes established by the Sec-
24 retary;

1 “(ii) the plan of such applicant to co-
2 ordinate program services with other pro-
3 grams for disadvantaged students; and

4 “(iii) any prior experience of such ap-
5 plicant in achieving expected program out-
6 comes under this chapter.

7 “(B) ADDITIONAL CRITERIA.—The Sec-
8 retary may establish additional selection criteria
9 as necessary to identify the most qualified ap-
10 plicants.”.

11 (c) PRIOR EXPERIENCE.—Paragraph (3) of such
12 subsection (d) (redesignated by subsection (b)(1) of this
13 section) is amended—

14 (1) by striking subparagraph (A) and inserting
15 “(A) In making grants under this chapter, the Sec-
16 retary shall use the measures described in subsection
17 (c)(1) to evaluate each applicant’s prior experience
18 in achieving expected program outcomes under the
19 particular program for which funds are sought.”;
20 and

21 (2) by adding at the end the following new sub-
22 paragraph:

23 “(C) The Secretary shall not give prior experi-
24 ence points to any current grantee that during the

1 then most recent period for which funds were pro-
2 vided—

3 “(i) failed to meet one or more expected
4 program outcomes based on the performance
5 measures described in subsection (c); or

6 “(ii) expended funds for indirect costs in
7 an amount that exceeded 8 percent of the total
8 grant award.”.

9 (d) ORDER OF AWARDS.—Paragraph (4) of such sub-
10 section (d) (as redesignated by subsection (b)(1) of this
11 section) is amended—

12 (1) in subparagraph (A)—

13 (A) by striking “under paragraph (4)” and
14 inserting “under paragraph (5)”; and

15 (B) by striking “with paragraph (2)” and
16 inserting “with paragraph (3)”; and

17 (2) by amending subparagraph (B) to read as
18 follows:

19 “(B) The Secretary shall not provide assistance
20 to an entity if the Secretary has determined that
21 such entity has involved the fraudulent use of public
22 or private funds.”.

23 (e) TECHNICAL ASSISTANCE.—Paragraph (3) of sub-
24 section (e) of such section (as redesignated by subsection
25 (a)(1) of this section) is amended to read as follows:

1 “(3) TECHNICAL ASSISTANCE.—The Secretary
2 shall provide technical assistance to applicants for
3 projects and programs authorized under this chap-
4 ter. The Secretary shall give priority to serving pro-
5 grams and projects that serve geographic areas and
6 eligible populations which have been underserved by
7 the programs assisted under this chapter. Technical
8 training activities shall include the provision of in-
9 formation on authorizing legislation, goals and objec-
10 tives of the program, required activities, eligibility
11 requirements, the application process and applica-
12 tion deadlines, and assistance in the development of
13 program proposals and the completion of program
14 applications.”.

15 (f) RECORDKEEPING AND REPORTING.—Section
16 402A is further amended by inserting after subsection (e)
17 of such section (as redesignated by subsection (a)(1) of
18 this section) the following new subsection:

19 “(f) RECORDKEEPING AND REPORTING.—

20 “(1) IN GENERAL.—The Secretary shall estab-
21 lish uniform reporting requirements and require
22 each recipient of funds under this chapter to submit
23 annually and in electronic form such information in
24 such manner and form and at such time as the Sec-
25 retary may require, except that reporting such infor-

1 mation shall not reveal personally identifiable infor-
2 mation about an individual student.

3 “(2) REPORT TO CONGRESS.—At least once
4 every 2-year period, the Secretary shall prepare and
5 submit to the authorizing committees, a report on
6 the services provided to students that shall include—

7 “(A) a statement for the then most re-
8 cently concluded fiscal year specifying—

9 “(i) the amount of funds received by
10 grantees to provide services under this
11 chapter; and

12 “(ii) the amount of funds received by
13 new grantees to provide services under this
14 chapter;

15 “(B) a description of the specific services
16 provided to students;

17 “(C) a summary of the overall success in
18 achieving specific program outcomes or progress
19 toward such outcomes;

20 “(D) a report of the number of students
21 served by types of service received;

22 “(E) information summarizing the types of
23 organizations that received funds under this
24 chapter; and

1 “(F) a summary of the research and eval-
2 uation activities under section 402H, includ-
3 ing—

4 “(i) a status report on ongoing activi-
5 ties; and

6 “(ii) results, conclusions, and rec-
7 ommendations based on the most recent
8 report available”.

9 (g) INCREASED MONITORING.—Subsection (h) of
10 such section (as redesignated by subsection (a)(1) of this
11 section) is amended by striking everything after the first
12 sentence and inserting the following: “Of the amount ap-
13 propriated under this chapter, the Secretary may use no
14 more than one half of 1 percent of such amount to support
15 the administration of the Federal TRIO programs includ-
16 ing to increase the level of oversight monitoring, to sup-
17 port impact studies, program assessments and reviews,
18 and to provide technical assistance to prospective appli-
19 cants and current grantees.”.

20 (h) EXPECTED PROGRAM OUTCOMES.—

21 (1) Section 402B (20 U.S.C. 1070a–12) is
22 amended by adding at the end the following new
23 subsection:

24 “(c) EXPECTED PROGRAM OUTCOMES.—For the pur-
25 poses of assessing an applicant’s performance under sec-

1 tion 402A(c)(1), and prior experience under section
2 402A(d)(3), the Secretary shall consider—

3 “(1) the rate of college enrollment of students
4 served by the program;

5 “(2) the continued secondary school enrollment
6 of participating students;

7 “(3) the graduation of participating students
8 from secondary school;

9 “(4) the delivery of services described in the ap-
10 plication approved by the Secretary; and

11 “(5) other such outcomes the Secretary may re-
12 quire.”.

13 (2) Section 402C (20 U.S.C. 1070a–12) is
14 amended by adding at the end the following new
15 subsection:

16 “(f) EXPECTED PROGRAM OUTCOMES.—For the pur-
17 poses of assessing an applicant’s performance under sec-
18 tion 402A(c)(1), and prior experience under section
19 402A(d)(3), the Secretary shall consider—

20 “(1) the rate of college enrollment of students
21 served by the program;

22 “(2) the persistence of students in postsec-
23 ondary education;

24 “(3) the delivery of services described in the ap-
25 plication approved by the Secretary;

1 “(4) the academic achievement of participating
2 students; and

3 “(5) other such outcomes the Secretary may re-
4 quire.”.

5 (3) Section 402D (20 U.S.C. 1070a–12) is
6 amended by adding at the end the following new
7 subsection:

8 “(e) EXPECTED PROGRAM OUTCOMES.—For the pur-
9 poses of assessing an applicant’s performance under sec-
10 tion 402A(c)(1), and prior experience under section
11 402A(d)(3), the Secretary shall consider—

12 “(1) the persistence in postsecondary education
13 of all students served by the program;

14 “(2)(A) in the case of a grant recipient that is
15 an institution of higher education offering a bacca-
16 laurate degree, the number of participating stu-
17 dents who completed degree programs in which such
18 students were enrolled; or

19 “(B) in the case of a grant recipient that is an
20 institution of higher education not offering a bacca-
21 laurate degree, the number of participating stu-
22 dents who—

23 “(i) completed degree or certificate pro-
24 grams; and

1 “(ii) transferred to institutions of higher
2 education offering baccalaureate degrees;

3 “(3) the delivery of services described in the ap-
4 plication approved by the Secretary; and

5 “(4) other such outcomes the Secretary may re-
6 quire.”.

7 (4) Section 402E (20 U.S.C. 1070a–12) is
8 amended by striking subsection (f) and inserting the
9 following:

10 “(f) EXPECTED PROGRAM OUTCOMES.—For the pur-
11 poses of assessing an applicant’s performance under sec-
12 tion 402A(c)(1), and prior experience under section
13 402A(d)(3), the Secretary shall consider—

14 “(1) the rate of graduate school enrollment of
15 participating students;

16 “(2) the attainment of doctoral degrees by par-
17 ticipating students;

18 “(3) the delivery of services described in the ap-
19 plication approved by the Secretary; and

20 “(4) other such outcomes as required by the
21 Secretary.”.

22 (5) Section 402F (20 U.S.C. 1070a–12) is
23 amended by adding at the end the following new
24 subsection:

1 “(d) EXPECTED PROGRAM OUTCOMES.—For the
2 purposes of assessing an applicant’s performance under
3 section 402A(c)(1), and prior experience under section
4 402A(d)(3), the Secretary shall consider—

5 “(1) the rate of college enrollment of partici-
6 pating students;

7 “(2) the provision of assistance to students
8 served by the program in completing financial aid
9 applications and college admission applications;

10 “(3) the delivery of services described in the ap-
11 plication approved by the Secretary; and

12 “(4) other such outcomes as required by the
13 Secretary.”.

14 (i) STAFF DEVELOPMENT.—Section 402G (20
15 U.S.C. 1070a–17) is amended to read as follows:

16 **“SEC. 402G. STAFF DEVELOPMENT ACTIVITIES.**

17 “(a) SECRETARY’S AUTHORITY.—For the purpose of
18 improving the operation of the programs and projects au-
19 thorized by this chapter, the Secretary is authorized to
20 make grants to institutions of higher education and other
21 public and private nonprofit institutions and organizations
22 to provide training and technical assistance for staff and
23 leadership personnel employed in, participating in, or pre-
24 paring for employment in, such programs and projects.

1 “(b) CONTENTS OF TRAINING PROGRAMS.—Such
2 training shall be provided to assist programs and projects
3 in—

4 “(1) achieving the expected program outcomes
5 stated under this chapter or additional outcomes
6 identified by individual programs or projects;

7 “(2) addressing any identified program weak-
8 nesses in the overall development, conduct, or ad-
9 ministration of a grant or contract;

10 “(3) improving the quality of services provided
11 to eligible students; or

12 “(4) additional areas in need of program im-
13 provement as identified by the Secretary or as re-
14 quested by grantees in order to enhance program op-
15 erations and outcomes.

16 “(c) CONSULTATION.—Grants for the purposes of
17 this section shall be made only after consultation with re-
18 gional and State professional associations of persons hav-
19 ing special knowledge with respect to the needs and prob-
20 lems of such programs and projects.”.

21 (j) EVALUATIONS.—Section 402H (20 U.S.C.
22 1070a–18) is amended to read as follows:

23 **“SEC. 402H. EVALUATIONS.**

24 “(a) EVALUATIONS.—

1 “(1) IN GENERAL.—For the purpose of improv-
2 ing the effectiveness of the programs and projects
3 assisted under this chapter, the Secretary shall make
4 grants to or enter into contracts with one or more
5 organizations to—

6 “(A) evaluate the effectiveness of the pro-
7 grams and projects assisted under this chapter;
8 and

9 “(B) disseminate information on the im-
10 pact of the programs in increasing the edu-
11 cation level of participating students, as well as
12 other appropriate measures.

13 “(2) ISSUES TO BE EVALUATED.—The evalua-
14 tions described in paragraph (1) shall measure the
15 effectiveness of programs under this chapter in—

16 “(A) meeting the expected program out-
17 comes stated under this chapter and all per-
18 formance measures identified by the Secretary;

19 “(B) enhancing the access of low-income
20 individuals and first-generation college students
21 to postsecondary education;

22 “(C) preparing individuals and students
23 for postsecondary education;

24 “(D) comparing the level of education com-
25 pleted by students who participate in the pro-

1 grams funded under this chapter with the level
2 of education completed by students of similar
3 backgrounds who do not participate in such
4 programs;

5 “(E) comparing the retention rates, drop-
6 out rates, graduation rates, and college admis-
7 sion and completion rates of students who par-
8 ticipate in the programs funded under this
9 chapter with the rates of students of similar
10 backgrounds who do not participate in such
11 programs; and

12 “(F) such other issues as the Secretary
13 considers appropriate for inclusion in the eval-
14 uation.

15 “(3) PROGRAM METHODS.—Such evaluations
16 shall also investigate the effectiveness of alternative
17 and innovative methods within Federal TRIO pro-
18 grams of increasing access to, and retention of, stu-
19 dents in postsecondary education.

20 “(b) RESULTS.—The Secretary shall submit to the
21 authorizing committees—

22 “(1) an annual interim report on the progress
23 and preliminary results of the evaluation of each
24 program funded under this chapter no later than 2

1 years following the date of enactment of the College
2 Access and Opportunity Act of 2007; and

3 “(2) a final report not later than 3 years fol-
4 lowing the date of enactment of such Act.

5 “(c) PUBLIC AVAILABILITY.—All reports and under-
6 lying data gathered pursuant to this section shall be made
7 available to the public upon request, in a timely manner
8 following submission of the applicable reports under sub-
9 section (b), except that any personally identifiable infor-
10 mation on students participating in any TRIO program
11 shall not be disclosed or made available to the public.”.

12 **SEC. 404. GEARUP.**

13 (a) DURATION OF AWARDS.—Section 404A(b) (20
14 U.S.C. 1070a–21(b)) is amended—

15 (1) in paragraph (2)(B), by striking “Higher
16 Education Amendments of 1998” and inserting
17 “College Access and Opportunity Act of 2006”; and

18 (2) by adding at the end thereof the following
19 new paragraph:

20 “(3) DURATION.—An award made by the Sec-
21 retary under this chapter to an eligible entity de-
22 scribed in paragraph (1) or (2) of subsection (c)
23 shall be for the period of 7 years.”.

1 (b) CONTINUING ELIGIBILITY.—Section 404A (20
2 U.S.C. 1070a–21) is amended by adding at the end the
3 following new subsection:

4 “(d) CONTINUING ELIGIBILITY.—An eligible entity
5 shall not cease to be an eligible entity upon the expiration
6 of any grant under this chapter (including a continuation
7 award).”.

8 (c) FOSTER CARE COORDINATION.—Section 404B(c)
9 (20U.S.C. 1070a–22(c)) is amended by adding at the end
10 the following new sentence:

11 “Each applicant for funds under the programs
12 authorized by this chapter shall identify services to
13 foster care youth as a permissible service in those
14 programs, and ensure that such youth receive sup-
15 portive services, including mentoring, tutoring, and
16 other services provided by those programs.”.

17 (d) CONTINUITY OF SERVICE.—

18 (1) COHORT APPROACH.—Section
19 404B(g)(1)(B) (20 U.S.C. 1070a–22(g)(1)(B)) is
20 amended by inserting “and provide the option of
21 continued services through the student’s first year of
22 attendance at an eligible institution of higher edu-
23 cation” after “grade level”.

24 (2) EARLY INTERVENTION.—Section 404D (20
25 U.S.C. 1070a–24) is amended—

1 (A) in subsection (a)(1)(B)—

2 (i) by striking “and” at the end of
3 clause (ii);

4 (ii) by striking the period at the end
5 of clause (iii) and inserting “; and”; and

6 (iii) by adding at the end the fol-
7 lowing new clause:

8 “(iv) the transition to college or post-
9 secondary education through continuity of
10 services to support students in and
11 through the first year of attendance at an
12 institution of higher education.”;

13 (B) in subsection (b)(2)(A), by inserting
14 “and students in the first year of attendance at
15 an eligible institution of higher education” after
16 “grade 12”; and

17 (C) in subsection (c), by inserting “, and
18 may consider students in their first year of at-
19 tendance at an eligible institution,” after
20 “grade 12”.

21 (e) COORDINATION.—Section 404C(a)(2) (20 U.S.C.
22 1070a–23(a)(2)) is amended—

23 (1) by striking “and” at the end of subpara-
24 graph (A);

1 (2) by redesignating subparagraph (B) as sub-
2 paragraph (C); and

3 (3) by inserting after subparagraph (A) the fol-
4 lowing new subparagraph:

5 “(B) describe activities for coordinating,
6 complementing, and enhancing services under
7 this chapter provided by other eligible entities
8 in the State; and”.

9 (f) EDUCATION AND COUNSELING SERVICES.—Sec-
10 tion 404D(b)(2)(A)(ii) (20 U.S.C. 1070a–24(b)(2)(A)(ii))
11 is amended by striking “and academic counseling” and in-
12 serting “academic counseling, and financial literacy and
13 economic literacy education or counseling”.

14 (g) USES OF FUNDS.—

15 (1) PERMISSIBLE ACTIVITIES.—Section
16 404D(b)(2) is further amended by adding at the end
17 of the following new subparagraphs:

18 “(F) Fostering and improving parent and
19 family involvement in elementary and secondary
20 education by promoting the advantages of a col-
21 lege education, and emphasizing academic ad-
22 mission requirements and the need to take col-
23 lege preparation courses, through parent en-
24 gagement and leadership activities.

1 “(G) Disseminating information that pro-
2 motes the importance of higher education, ex-
3 plains college preparation and admission re-
4 quirements, and raises awareness of the re-
5 sources and services provided by the eligible en-
6 tities described in section 404A(c) to eligible
7 students, their families, and communities.”.

8 (2) ADDITIONAL PERMISSIBLE ACTIVITIES FOR
9 STATES.—Section 404D(b) is further amended by
10 adding at the end the following new paragraph:

11 “(3) ADDITIONAL PERMISSIBLE ACTIVITIES FOR
12 STATES.—In meeting the requirements of subsection
13 (a), an eligible entity described in section 404A(c)
14 (1) receiving funds under this chapter may, in addi-
15 tion to the activities authorized by paragraph (2),
16 use funds to providing technical assistance to—

17 “(A) middle schools or secondary schools
18 that are located within the State; or

19 “(B) partnerships described in section
20 404A(c)(2) that are located within the State.”.

21 (h) HOMELESS AND UNACCOMPANIED YOUTH.—Sec-
22 tion 404D is further amended by adding at the end the
23 following new subsection:

24 “(e) HOMELESS AND UNACCOMPANIED YOUTH.—
25 Notwithstanding any other provision of this chapter, indi-

1 viduals who are homeless or unaccompanied youth as de-
2 fined in section 725 of the McKinney-Vento Homeless As-
3 sistance Act shall be eligible to participate in programs
4 under this section.”.

5 (i) REAUTHORIZATION.—Section 404H (20 U.S.C.
6 1070a–28) is amended by striking “\$200,000,000 for fis-
7 cal year 1999 and such sums as may be necessary for each
8 of the 4 succeeding fiscal years” and inserting
9 “\$306,500,000 for fiscal year 2008 and such sums as may
10 be necessary for each of the 5 succeeding fiscal years”.

11 **SEC. 405. FEDERAL SUPPLEMENTAL EDUCATIONAL OPPOR-**
12 **TUNITY GRANTS.**

13 (a) AUTHORIZATION OF APPROPRIATIONS.—Section
14 413A(b)(1) (20 U.S.C. 1070b(b)(1)) is amended by strik-
15 ing “\$675,000,000 for fiscal year 1999 and such sums
16 as may be necessary for the 4 succeeding fiscal years” and
17 inserting “\$779,000,000 for fiscal year 2008 and such
18 sums as may be necessary for the 5 succeeding fiscal
19 years”.

20 (b) PRIORITY OF AWARDS.—Paragraph (2) of section
21 413C(c) (20 U.S.C. 1070b–2(c)(2)) is amended to read
22 as follows:

23 “(2) In carrying out paragraph (1) of this subsection,
24 each institution of higher education shall, in the agree-

1 ment made under section 487, assure that the selection
2 procedures—

3 “(A) will give a priority for supplemental grants
4 under this subpart to students who receive Pell
5 Grants and meet the requirements of section 484;
6 and

7 “(B) will award no more than 10 percent of
8 each institution’s allocation received under section
9 413D to students who did not receive Federal Pell
10 Grants in a prior year.”.

11 (c) ELIGIBILITY FOR ADDITIONAL ALLOCATIONS.—
12 Section 413D(a)(4) (20 U.S.C. 1070b–3(a)(4)) is amend-
13 ed by striking subparagraph (B) and inserting the fol-
14 lowing:

15 “(B) An otherwise eligible institution may receive a
16 portion of the allocation described in subparagraph (A)
17 if—

18 “(i) not less than 10 percent of the under-
19 graduate, degree- or certificate-seeking students at-
20 tending the institution receive Federal Pell Grants;
21 and

22 “(ii)(I) in the case of an institution that offers
23 programs of at least 4 years in duration, if its grad-
24 uation rate for Federal Pell Grant recipients attend-
25 ing the institution and graduating within the period

1 of time equal to normal duration of the longest un-
2 dergraduate program offered by the institution, as
3 measured from the first day of their enrollment, ex-
4 ceeds the median rate for the class of institution (as
5 defined in section 131(f)(7)(C)); or

6 “(II) in the case of an institution that offers
7 programs of at least 2, but less than 4, years in du-
8 ration, if its rate for Federal Pell Grant recipients
9 attending the institution and graduating or transfer-
10 ring to an institution that offers programs of at
11 least 4 years in duration within the period of time
12 equal to the normal duration of the program offered,
13 as measured from the first day of their enrollment,
14 exceeds the median rate for the class of institution
15 (as defined in section 131(f)(7)(C)).”.

16 (d) BOOKS AND SUPPLIES.—Section 413D(c)(3)(D)
17 (20 U.S.C. 1070–3(c)(3)(D)) is amended by striking
18 “\$450” and inserting “\$600”.

19 **SEC. 406. LEAP.**

20 Section 415A(b)(1) (20 U.S.C. 1070c(b)(1)) is
21 amended—

22 (1) by striking “1999” and inserting “2008”;

23 and

24 (2) by striking “4 succeeding” and inserting “5
25 succeeding”.

1 **SEC. 407. HEP/CAMP PROGRAM.**

2 Section 418A (20 U.S.C. 1070d–2) is amended—

3 (1) in subsection (b)(1)(B)(i), by inserting “, or
4 whose spouse” after “themselves”;

5 (2) in subsection (b)(3)(B), by inserting “, in-
6 cluding preparation for college entrance exams”
7 after “program”;

8 (3) in subsection (b)(8), by inserting “, includ-
9 ing child care and transportation” after “supportive
10 services”;

11 (4) by striking “and” at the end of subsection
12 (b)(7), by striking the period at the end of sub-
13 section (b)(8) and inserting “; and”, and by adding
14 at the end of subsection (b) the following new para-
15 graph:

16 “(9) follow-up activity and reporting require-
17 ments, except that not more than 2 percent of the
18 funds provided under this section may be used for
19 such purposes.”;

20 (5) in subsection (c)(1)(A), by inserting “, or
21 whose spouse” after “themselves”;

22 (6) in subsection (c)(1)(B), by striking clause
23 (i) and inserting the following:

24 “(i) personal, academic, career, and eco-
25 nomic education or personal finance counseling
26 as an ongoing part of the program;”;

1 (7) in subsection (c)(2)(B), by inserting “(in-
2 cluding mentoring and guidance of such students)”
3 after “services”;

4 (8) in subsection (c)(2), by striking “and” at
5 the end of subparagraph (A), by striking the period
6 at the end of subparagraph (B) and inserting “;
7 and”, and by adding at the end of subsection (c)(2)
8 the following new subparagraph:

9 “(C) for students in any program that does not
10 award a bachelor’s degree, encouraging the transfer
11 to, and persistence in, such a program, and moni-
12 toring the rate of such transfer, persistence, and
13 completion.”;

14 (9) in subsection (e), by striking “section
15 402A(c)(1)” and inserting “section 402A(c)(2)”;

16 (10) in subsection (h)—

17 (A) in paragraph (1), by striking
18 “\$15,000,000 for fiscal year 1999 and such
19 sums as may be necessary for each of the 4
20 succeeding fiscal years” and inserting
21 “\$24,000,000 for fiscal year 2008 and such
22 sums as may be necessary for each of the 5
23 succeeding fiscal years”; and

24 (B) in paragraph (2), by striking
25 “\$5,000,000 for fiscal year 1999 and such

1 “(b) DEFINITIONS.—As used in this section—

2 “(1) the term ‘computer science’ means the
3 branch of knowledge or study of computers, includ-
4 ing such fields of knowledge or study as computer
5 hardware, computer software, computer engineering,
6 information systems, and robotics;

7 “(2) the term ‘eligible student’ means a student
8 who—

9 “(A) is a citizen of the United States;

10 “(B) is selected by the managing agent to
11 receive a scholarship;

12 “(C) is enrolled full-time in an institution
13 of higher education, other than a United States
14 service academy; and

15 “(D) has shown a commitment to and is
16 pursuing a major in studies leading to a bacca-
17 laureate, masters, or doctoral degree (or a com-
18 bination thereof) in physical, life, or computer
19 sciences, mathematics, or engineering;

20 “(3) the term ‘engineering’ means the science
21 by which the properties of matter and the sources of
22 energy in nature are made useful to humanity in
23 structures, machines, and products, as in the con-
24 struction of engines, bridges, buildings, mines, and
25 chemical plants, including such fields of knowledge

1 or study as aeronautical engineering, chemical engi-
2 neering, civil engineering, electrical engineering, in-
3 dustrial engineering, materials engineering, manu-
4 facturing engineering, and mechanical engineering;

5 “(4) the term ‘life sciences’ means the branch
6 of knowledge or study of living things, including
7 such fields of knowledge or study as biology, bio-
8 chemistry, biophysics, microbiology, genetics, physi-
9 ology, botany, zoology, ecology, and behavioral biol-
10 ogy, except that the term does not encompass social
11 psychology or the health professions;

12 “(5) the term ‘managing agent’ means an enti-
13 ty to which an award is made under subsection (c)
14 to manage a program of Mathematics and Science
15 Honors Scholarships;

16 “(6) the term ‘mathematics’ means the branch
17 of knowledge or study of numbers and the system-
18 atic treatment of magnitude, relationships between
19 figures and forms, and relations between quantities
20 expressed symbolically, including such fields of
21 knowledge or study as statistics, applied mathe-
22 matics, and operations research; and

23 “(7) the term ‘physical sciences’ means the
24 branch of knowledge or study of the material uni-
25 verse, including such fields of knowledge or study as

1 astronomy, atmospheric sciences, chemistry, earth
2 sciences, ocean sciences, physics, and planetary
3 sciences.

4 “(c) AWARD.—

5 “(1)(A) From funds authorized under section
6 419F to carry out this section, the Secretary is au-
7 thORIZED, through a grant or cooperative agreement,
8 to make an award to a private, non-profit organiza-
9 tion, other than an institution of higher education or
10 system of institutions of higher education, to man-
11 age, through a public and private partnership, a pro-
12 gram of Mathematics and Science Honors Scholar-
13 ships under this section.

14 “(B) The award under subparagraph (A) shall
15 be for a five-year period.

16 “(2)(A) One hundred percent of the funds
17 awarded under paragraph (1)(A) for any fiscal year
18 shall be obligated and expended solely on scholar-
19 ships to eligible students.

20 “(B) No Federal funds shall be used to provide
21 more than 50 percent of the cost of any scholarship
22 to an eligible student.

23 “(C) The maximum scholarship award shall be
24 the difference between an eligible student’s cost of

1 attendance minus any non-loan based aid such stu-
2 dent receives.

3 “(3)(A) The secretary may establish—

4 “(i) eligibility criteria for applicants for
5 managing agent, including criteria regarding fi-
6 nancial and administrative capability; and

7 “(ii) operational standards for the man-
8 aging agent, including management and per-
9 formance requirements, such as audit, record-
10 keeping, record retention, and reporting proce-
11 dures and requirements.

12 “(B) The Secretary, as necessary, may review
13 and revise any criteria, standards, and rules estab-
14 lished under this paragraph and, through the agree-
15 ment with the managing agent, see that any revi-
16 sions are implemented.

17 “(4) If the managing agent fails to meet the re-
18 quirements of this section the Secretary may termi-
19 nate the award to the managing agent.

20 “(5) The Secretary shall conduct outreach ef-
21 forts to help raise awareness of the Mathematics and
22 Science Honors Scholarships.

23 “(d) DUTIES OF THE MANAGING AGENT.—The man-
24 aging agent shall—

1 “(1) develop criteria to award Mathematics and
2 Science Honors Scholarships based on established
3 measurements available to secondary students who
4 wish to pursue degrees in physical, life, or computer
5 sciences, mathematics, and engineering;

6 “(2) establish a Mathematics and Science Hon-
7 ors Scholarship Fund in a separate, named account
8 that clearly discloses the amount of Federal and
9 non-Federal funds deposited in the account and used
10 for scholarships under this section;

11 “(3) solicit funds for scholarships and for the
12 administration of the program from non-Federal
13 sources;

14 “(4) solicit applicants for scholarships;

15 “(5) from the amounts in the Fund, award
16 scholarships to eligible students and transfer such
17 funds to the institutions of higher education that
18 they attend;

19 “(6) annually submit to the Secretary a finan-
20 cial audit and a report on the progress of the pro-
21 gram, and such other documents as the Secretary
22 may require to determine the effective management
23 of the program; and

24 “(7) shall not develop a criteria that discrimi-
25 nates against a student based on the type of pro-

1 gram in which the student completed his or her sec-
2 ondary education.

3 “(e) APPLICATIONS.—

4 “(1) Any eligible entity that desires to be the
5 managing agent under this section shall submit an
6 application to the Secretary, in such form and con-
7 taining such information, as the Secretary may re-
8 quire.

9 “(2) Each application shall include a descrip-
10 tion of—

11 “(A) how the applicant meets or will meet
12 requirements established under subsections
13 (c)(3)(A) and (d);

14 “(B) how the applicant will solicit funds
15 for scholarships and for the administration of
16 the program from non-Federal sources;

17 “(C) how the applicant will provide nation-
18 wide outreach to inform students about the pro-
19 gram and to encourage students to pursue de-
20 grees in physical, life, or computer sciences,
21 mathematics, and engineering;

22 “(D) how the applicant will solicit applica-
23 tions for scholarships, including how the appli-
24 cant will balance efforts in urban and rural
25 areas;

1 “(E) the selection criteria based on estab-
2 lished measurements available to secondary stu-
3 dents the applicant will use to award scholar-
4 ships and to renew those awards;

5 “(F) how the applicant will inform the in-
6 stitution of higher education chosen by the re-
7 cipient of the name and scholarship amount of
8 the recipient;

9 “(G) what procedures and assurances the
10 applicant and the institution of higher edu-
11 cation that the recipient attends will use to
12 verify student eligibility, attendance, degree
13 progress, and academic performance and to de-
14 liver and account for payments to such institu-
15 tion;

16 “(H) the management (including audit and
17 accounting) procedures the applicant will use
18 for the program;

19 “(I) the human, financial, and other re-
20 sources that the applicant will need and use to
21 manage the program;

22 “(J) how the applicant will evaluate the
23 program and report to the Secretary annually;
24 and

1 “(K) a description of how the entity will
2 coordinate with, complement, and build on simi-
3 lar public and private mathematics and science
4 programs.

5 “(f) SCHOLARSHIP RECIPIENTS.—

6 “(1) A student receiving a scholarship under
7 this section shall be known as a ‘Byrd Mathematics
8 and Science Honors Scholar’.

9 “(2) Any student desiring to receive a scholar-
10 ship under this section shall submit an application
11 to the managing agent in such form, and containing
12 such information, as the managing agent may re-
13 quire.

14 “(3) Any student that receives a scholarship
15 under this section shall enter into an agreement with
16 the managing agent to complete 5 consecutive years
17 of service to begin no later than 12 months following
18 completion of the final degree in a position related
19 to the field in which the student obtained the degree.

20 “(4) If any student that receives a scholarship
21 under this section fails to earn at least a bacca-
22 laureate degree in physical, life, or computer
23 sciences, mathematics, or engineering as defined
24 under this section, the student shall repay to the

1 managing agent the amount of any financial assist-
2 ance paid to such student.

3 “(5) If any student that receives a scholarship
4 under this section fails to meet the requirements of
5 paragraph (3), the student shall repay to the man-
6 aging agent the amount of any financial assistance
7 paid to such student.

8 “(6)(A) Scholarships shall be awarded for only
9 one academic year of study at a time.

10 “(B)(i) A scholarship shall be renewable on an
11 annual basis for the established length of the aca-
12 demic program if the student awarded the scholar-
13 ship remains eligible.

14 “(ii) The managing agent may condition re-
15 newal of a scholarship on measures of academic
16 progress and achievement, with the approval of the
17 Secretary.

18 “(C)(i) If a student fails to either remain eligi-
19 ble or meet established measures of academic
20 progress and achievement, the managing agent shall
21 instruct the student’s institution of higher education
22 to suspend payment of the student’s scholarship.

23 “(ii) A suspension of payment shall remain in
24 effect until the student is able to demonstrate to the
25 satisfaction of the managing agent that he or she is

1 again eligible and meets the established measures of
2 academic progress and achievement.

3 “(iii) A student’s eligibility for a scholarship
4 shall be terminated if a suspension period exceeds
5 12 months.

6 “(D)(i)(I) A student awarded a scholarship
7 may, in a manner and under the terms established
8 by, and with the approval of, the managing agent,
9 postpone or interrupt his or her enrollment at an in-
10 stitution of higher education for up to 12 months.

11 “(II) Such a postponement or interruption shall
12 not be considered a suspension for purposes of sub-
13 paragraph (C).

14 “(ii) Neither a student nor the student’s insti-
15 tution of higher education shall receive the student’s
16 scholarship payments during the period of postpone-
17 ment or interruption, but such payments shall re-
18 sume upon enrollment or reenrollment.

19 “(iii) In exceptional circumstances, such as seri-
20 ous injury or illness or the necessity to care for fam-
21 ily members, the student’s postponement or inter-
22 ruption may, upon notification and approval of the
23 managing agent, be extended beyond the 12 month
24 period described in clause (i)(I).

1 “(g) RESPONSIBILITIES OF INSTITUTION OF HIGHER
2 EDUCATION.—

3 “(1) The managing agent shall require any in-
4 stitution of higher education that enrolls a student
5 who receives a scholarship under this section to an-
6 nually provide an assurance, prior to making any
7 payment, that the student—

8 “(A) is eligible in accordance with sub-
9 section (b)(2); and

10 “(B) has provided the institution with a
11 written commitment to attend, or is attending,
12 classes and is satisfactorily meeting the institu-
13 tion’s academic criteria for enrollment in its
14 program of study.

15 “(2)(A) The managing agent shall provide the
16 institution of higher education with payments from
17 the Fund for selected recipients in at least two in-
18 stallments.

19 “(B) An institution of higher education shall re-
20 turn prorated amounts of any scholarship payment
21 to the managing agent, who shall deposit it in to the
22 Fund, if a recipient declines a scholarship, does not
23 attend courses, transfers to another institution of
24 higher education, or becomes ineligible for a scholar-
25 ship.

1 **“SEC. 419B. MATHEMATICS AND SCIENCE INCENTIVE PRO-**
2 **GRAM.**

3 “(a) PROGRAM.—

4 “(1) IN GENERAL.—The Secretary is authorized
5 to carry out a program of assuming the obligation
6 to pay, pursuant to the provisions of this section, the
7 interest on a loan made, insured, or guaranteed
8 under part B or D of this title.

9 “(2) ELIGIBILITY.—The Secretary may assume
10 interest payments under paragraph (1) only for a
11 borrower who—

12 “(A) has submitted an application in com-
13 pliance with subsection (d);

14 “(B) obtained one or more loans described
15 in paragraph (1) as an undergraduate student;

16 “(C) is a new borrower (within the mean-
17 ing of section 103(7) of this Act) on or after
18 the date of enactment of the College Access and
19 Opportunity Act of 2007;

20 “(D) is a highly qualified teacher (as de-
21 fined in section 9101 of the Elementary and
22 Secondary Education Act of 1965) of science,
23 technology, engineering or mathematics at an
24 elementary or secondary school in a high need
25 local educational agency, or is a mathematics,
26 science, or engineering professional; and

1 “(E) enters into an agreement with the
2 Secretary to complete 5 consecutive years of
3 service in a position described in subparagraph
4 (D), starting on the date of the agreement.

5 “(3) PRIOR INTEREST LIMITATIONS.—The Sec-
6 retary shall not make any payments for interest
7 that—

8 “(A) accrues prior to the beginning of the
9 repayment period on a loan in the case of a
10 loan made under section 428H or a Federal Di-
11 rect Unsubsidized Stafford Loan; or

12 “(B) has accrued prior to the signing of an
13 agreement under paragraph (2)(E).

14 “(4) INITIAL SELECTION.—In selecting partici-
15 pants for the program under this section, the Sec-
16 retary—

17 “(A) shall choose among eligible applicants
18 on the basis of—

19 “(i) the national security, homeland
20 security, and economic security needs of
21 the United States, as determined by the
22 Secretary, in consultation with other Fed-
23 eral agencies, including the Departments
24 of Labor, Defense, Homeland Security,
25 Commerce, and Energy, the Central Intel-

1 ligence Agency, and the National Science
2 Foundation; and

3 “(ii) the academic record or job per-
4 formance of the applicant; and

5 “(B) may choose among eligible applicants
6 on the basis of—

7 “(i) the likelihood of the applicant to
8 complete the 5-year service obligation;

9 “(ii) the likelihood of the applicant to
10 remain in science, mathematics, or engi-
11 neering after the completion of the service
12 requirement; or

13 “(iii) other relevant criteria deter-
14 mined by the Secretary.

15 “(5) AVAILABILITY SUBJECT TO APPROPRIA-
16 TIONS.—Loan interest payments under this section
17 shall be subject to the availability of appropriations.
18 If the amount appropriated for any fiscal year is not
19 sufficient to provide interest payments on behalf of
20 all qualified applicants, the Secretary shall give pri-
21 ority to those individuals on whose behalf interest
22 payments were made during the preceding fiscal
23 year.

1 “(6) REGULATIONS.—The Secretary is author-
2 ized to prescribe such regulations as may be nec-
3 essary to carry out the provisions of this section.

4 “(b) DURATION AND AMOUNT OF INTEREST PAY-
5 MENTS.—The period during which the Secretary shall pay
6 interest on behalf of a student borrower who is selected
7 under subsection (a) is the period that begins on the effec-
8 tive date of the agreement under subsection (a)(2)(E),
9 continues after successful completion of the service obliga-
10 tion, and ends on the earlier of—

11 “(1) the completion of the repayment period of
12 the loan;

13 “(2) payment by the Secretary of a total of
14 \$5,000 on behalf of the borrower;

15 “(3) if the borrower ceases to fulfill the service
16 obligation under such agreement prior to the end of
17 the 5-year period, as soon as the borrower is deter-
18 mined to have ceased to fulfill such obligation in ac-
19 cordance with regulations of the Secretary; or

20 “(4) 6 months after the end of any calendar
21 year in which the borrower’s gross income equals or
22 exceeds 4 times the national per capita disposable
23 personal income (current dollars) for such calendar
24 year, as determined on the basis of the National In-
25 come and Product Accounts Tables of the Bureau of

1 Economic Analysis of the Department of Commerce,
2 as determined in accordance with regulations pre-
3 scribed by the Secretary.

4 “(c) REPAYMENT TO ELIGIBLE LENDERS.—Subject
5 to the regulations prescribed by the Secretary by regula-
6 tion under subsection (a)(6), the Secretary shall pay to
7 each eligible lender or holder for each payment period the
8 amount of the interest that accrues on a loan of a student
9 borrower who is selected under subsection (a).

10 “(d) APPLICATION FOR REPAYMENT.—

11 “(1) IN GENERAL.—Each eligible individual de-
12 siring loan interest payment under this section shall
13 submit a complete and accurate application to the
14 Secretary at such time, in such manner, and con-
15 taining such information as the Secretary may re-
16 quire.

17 “(2) FAILURE TO COMPLETE SERVICE AGREE-
18 MENT.—Such application shall contain an agreement
19 by the individual that, if the individual fails to com-
20 plete the 5 consecutive years of service required by
21 subsection (a)(2)(E), the individual agrees to repay
22 the Secretary the amount of any interest paid by the
23 Secretary on behalf of the individual.

24 “(e) TREATMENT OF CONSOLIDATION LOANS.—A
25 consolidation loan made under section 428C of this Act,

1 or a Federal Direct Consolidation Loan made under part
2 D of title IV of this Act, may be a qualified loan for the
3 purpose of this section only to the extent that such loan
4 amount was used by a borrower who otherwise meets the
5 requirements of this section to repay—

6 “(1) a loan made under section 428 or 428H
7 of this Act; or

8 “(2) a Federal Direct Stafford Loan, or a Fed-
9 eral Direct Unsubsidized Stafford Loan, made under
10 part D of title IV of this Act.

11 “(f) PREVENTION OF DOUBLE BENEFITS.—No bor-
12 rower may, for the same service, receive a benefit under
13 both this section and—

14 “(1) any loan forgiveness program under title
15 IV of this Act; or

16 “(2) subtitle D of title I of the National and
17 Community Service Act of 1990 (42 U.S.C. 12601
18 et seq.).

19 “(g) DEFINITIONS.—As used in this section—

20 “(1) the term ‘high need local educational agen-
21 cy’ has the same meaning given such term in section
22 201(b)(4); and

23 “(2) the term ‘mathematics, science, or engi-
24 neering professional’ means a person who—

1 “(A) holds a baccalaureate, masters, or
2 doctoral degree (or a combination thereof) in
3 science, mathematics, or engineering; and

4 “(B) works in a field the Secretary deter-
5 mines is closely related to that degree, which
6 shall include working as a professor at a two-
7 or four-year institution of higher education.

8 **“SEC. 419C. ADJUNCT TEACHER CORPS.**

9 “(a) PURPOSE.—It is the purpose of this section to
10 create opportunities for professionals and other individuals
11 with subject-matter expertise to teach secondary school
12 courses in mathematics, science, and critical foreign lan-
13 guages, on an adjunct basis.

14 “(b) PROGRAM AUTHORIZED.—The Secretary is au-
15 thorized to award grants to eligible entities to recruit and
16 place well-qualified individuals to serve as adjunct teachers
17 in secondary school mathematics, science, and critical for-
18 eign language courses.

19 “(c) ELIGIBLE ENTITY.—For the purpose of this sec-
20 tion, an eligible entity is—

21 “(1) a local educational agency;

22 “(2) a public or private educational organiza-
23 tion (which may be a State educational agency); or

1 “(3) a partnership consisting of a local edu-
2 cational agency and a public or private educational
3 organization.

4 “(d) DURATION OF GRANTS.—The Secretary may
5 award grants under this section for a period of not more
6 than five years.

7 “(e) PRIORITIES.—In awarding grants under this
8 section, the Secretary shall give priority to eligible entities
9 that propose to—

10 “(1) serve local educational agencies that have
11 a large number or percentage of students performing
12 below grade level in mathematics, science, and crit-
13 ical foreign language courses;

14 “(2) serve local educational agencies that have
15 a large number or percentage of students from fami-
16 lies with incomes below the poverty line; and

17 “(3) recruit adjunct faculty to serve in schools
18 that have an insufficient number of teachers in
19 mathematics, science, and critical foreign languages.

20 “(f) APPLICATIONS.—

21 “(1) APPLICATION REQUIRED.—To be consid-
22 ered for a grant under this section, an eligible entity
23 shall submit an application to the Secretary at such
24 time, in such manner, and containing such informa-
25 tion as the Secretary may reasonably require.

1 “(2) CONTENTS.—The Application shall, at a
2 minimum, include a description of—

3 “(A) the need for, and expected benefits of
4 using, adjunct teachers in the participating
5 schools, which may include information on the
6 difficulty participating schools face in recruiting
7 qualified faculty in mathematics, science, and
8 critical foreign language courses;

9 “(B) measurable objectives for the project,
10 including the number of adjunct teachers the el-
11 igible entity intends to place in classrooms and
12 gains in academic achievement intended to be
13 achieved;

14 “(C) how the eligible entity will recruit
15 qualified individuals and public or private edu-
16 cational organizations to participate in the pro-
17 gram;

18 “(D) how the eligible entity will use funds
19 received under this section, including how the
20 eligible entity will evaluate the success of its
21 program;

22 “(E) how the eligible entity will support
23 and continue the program after the grant has
24 expired, including how it will seek support from

1 other sources, such as State and local govern-
2 ment, foundations, and the private sector;

3 “(F) how the eligible entity will address
4 legal, contractual, or administrative barriers to
5 employment of adjunct faculty in the partici-
6 pating State or local educational agency or
7 agencies; and

8 “(G) how the eligible entity will provide
9 pre-service training to selected adjunct teachers,
10 including the on-going mentoring of such teach-
11 ers by highly qualified teachers.

12 “(g) USES OF FUNDS.—An eligible entity that re-
13 ceives a grant under this section is authorized to use grant
14 funds to carry out one or more of the following activities:

15 “(1) To develop the capacity of the local edu-
16 cational agency or the State educational agency, or
17 both, to identify, recruit, and train qualified individ-
18 uals outside of the elementary and secondary edu-
19 cation system (including individuals in business and
20 government, and individuals who would participate
21 through distance-learning arrangements) to become
22 adjunct teachers in mathematics, science, and crit-
23 ical foreign language courses.

24 “(2) To provide signing bonuses and other fi-
25 nancial incentives to encourage individuals to be-

1 come adjunct teachers in mathematics, science, and
2 critical foreign language courses.

3 “(3) To provide pre-service training to adjunct
4 teachers, including the on-going mentoring of such
5 teachers by highly qualified teachers.

6 “(4) To reimburse outside entities for the costs
7 associated with allowing an employee to serve as an
8 adjunct teacher, except that these costs shall not ex-
9 ceed the total cost of salary and benefits for teachers
10 with comparable experience or expertise in the local
11 educational agency.

12 “(h) MATCHING REQUIREMENT.—Each eligible enti-
13 ty that receives a grant under this section shall provide,
14 from non-Federal sources, an amount equal to 100 percent
15 of the amount of the grant (in cash or in kind) to carry
16 out the activities supported by the grant.

17 “(i) PROGRAM PERFORMANCE.—Each eligible entity
18 receiving a grant under this section shall prepare and sub-
19 mit to the Secretary a final report on the results of the
20 project that contains such information as the Secretary
21 may require including improvements in academic achieve-
22 ment as a result of instruction from adjunct teachers.

23 “(j) EVALUATION.—The Secretary shall evaluate the
24 activities funded under this section including the impact
25 of the program on student academic achievement and shall

1 report the results of the evaluation to the appropriate
2 Committees of Congress.

3 “(k) DEFINITIONS.—As used in this section:

4 “(1) ADJUNCT TEACHER.—The term ‘adjunct
5 teacher’ means a teacher who—

6 “(A) possesses, at a minimum, a bachelor’s
7 degree;

8 “(B) has demonstrated expertise in mathe-
9 matics, science, or a critical foreign language by
10 having met the requirements of section
11 9101(23)(B)(ii) of the Elementary and Sec-
12 ondary Education Act of 1965; and

13 “(C) is not required to meet the other re-
14 quirements of section 9101(23) of the Elemen-
15 tary and Secondary Education Act of 1965.

16 “(2) CRITICAL FOREIGN LANGUAGE.—The term
17 ‘critical foreign language’ has the same meaning
18 given such term under section 428K(h).

19 **“SEC. 419D. AUTHORIZATION OF APPROPRIATIONS.**

20 “There are authorized to be appropriated
21 \$41,000,000 for fiscal year 2008 and such sums as may
22 be necessary for each of the 5 succeeding fiscal years to
23 carry out this subpart.”.

24 **SEC. 409. CHILD CARE ACCESS.**

25 Section 419N(g) (20 U.S.C. 1070e(g)) is amended—

1 (1) by striking “1999” and inserting “2008”;

2 and

3 (2) by striking “4 succeeding” and inserting “5

4 succeeding”.

5 **SEC. 410. LEARNING ANYTIME ANYWHERE PARTNERSHIPS.**

6 (a) REPEAL.—Subpart 8 of part A of title IV (20

7 U.S.C. 1070f—1070f-6) is repealed.

8 (b) CONFORMING AMENDMENT.—Section 400(b) (20

9 U.S.C. 1070(b)) is amended by striking “through 8” and

10 inserting “through 7”.

11 **PART B—FEDERAL FAMILY EDUCATION LOAN**

12 **PROGRAM**

13 **SEC. 421. PLUS LOAN INTEREST RATES.**

14 Paragraph (2) of section 427A(l) (20 U.S.C.

15 1077a(l)(2)) is amended to read as follows:

16 “(2) PLUS LOANS.—Notwithstanding sub-

17 section (h), with respect to any loan under section

18 428B, the applicable rate of interest—

19 “(A) shall be 8.5 percent on the unpaid

20 principal balance of any such loan for which the

21 first disbursement is made on or after July 1,

22 2006, and before July 1, 2008; and

23 “(B) shall be 7.9 percent on the unpaid

24 principal balance of any such loan for which the

1 first disbursement is made on or after July 1,
2 2008.”.

3 **SEC. 422. LOAN FORGIVENESS FOR SERVICE IN AREAS OF**
4 **NATIONAL NEED.**

5 Section 428K (20 U.S.C. 1078–11) is amended to
6 read as follows:

7 **“SEC. 428K. LOAN FORGIVENESS FOR SERVICE IN AREAS OF**
8 **NATIONAL NEED.**

9 “(a) PURPOSES.—The purposes of this section are—

10 “(1) to encourage highly trained individuals to
11 enter and continue in service in areas of national
12 need; and

13 “(2) to reduce the burden of student debt for
14 Americans who dedicate their careers to service in
15 areas of national need.

16 “(b) PROGRAM AUTHORIZED.—

17 “(1) IN GENERAL.—The Secretary is authorized
18 to carry out a program of assuming the obligation
19 to repay, subject to paragraphs (2) of subsection (c)
20 and subsection (d), a qualified loan amount for a
21 loan made, insured, or guaranteed under this part or
22 part D (other than loans made under section 428B
23 and 428C and comparable loans made under part
24 D), for any new borrower after the date of enact-

1 ment of the College Access and Opportunity Act of
2 2007, who—

3 “(A) has been employed full-time for at
4 least 5 consecutive complete school, academic,
5 or calendar years, as appropriate, in an area of
6 national need described in subsection (c); and

7 “(B) is not in default on a loan for which
8 the borrower seeks forgiveness.

9 “(2) AWARD BASIS.—Loan repayment under
10 this section shall be on a first-come, first-served
11 basis on behalf of borrowers employed in an area of
12 national need described in subsection (c) and subject
13 to the availability of appropriations.

14 “(3) REGULATIONS.—The Secretary is author-
15 ized to issue such regulations as may be necessary
16 to carry out the provisions of this section.

17 “(c) AREAS OF NATIONAL NEED.—

18 “(1) STATUTORY CATEGORIES.—For purposes
19 of this section, an individual shall be treated as em-
20 ployed in an area of national need if the individual
21 is employed full time and is any of the following:

22 “(A) EARLY CHILDHOOD EDUCATORS.—An
23 individual who is employed as an early child-
24 hood educator in an eligible preschool program
25 or child care facility in a low-income commu-

1 nity, and who is involved directly in the care,
2 development and education of infants, toddlers,
3 or young children through age five.

4 “(B) NURSES.—An individual who is em-
5 ployed—

6 “(i) as a nurse in a clinical setting; or

7 “(ii) as a member of the nursing fac-
8 ulty at an accredited school of nursing (as
9 those terms are defined in section 801 of
10 the Public Health Service Act (42 U.S.C.
11 296)).

12 “(C) FOREIGN LANGUAGE SPECIALISTS.—

13 An individual who has obtained a baccalaureate
14 degree in a critical foreign language and is em-
15 ployed—

16 “(i) in an elementary or secondary
17 school as a highly qualified teacher (as
18 such term is defined in section 9101 of the
19 Elementary and Secondary Education Act
20 of 1965) of a critical foreign language; or

21 “(ii) in an agency of the United
22 States Government in a position that regu-
23 larly requires the use of such critical for-
24 eign language.

1 “(D) SPEECH-LANGUAGE PATHOLO-
2 GISTS.—An individual who is a speech-language
3 pathologist, who is employed in an eligible pre-
4 school program or an elementary or secondary
5 school, and who has, at a minimum, a graduate
6 degree in speech-language pathology, or com-
7 munication sciences and disorders.

8 “(E) MEDICAL SPECIALISTS.—An indi-
9 vidual who—

10 “(i) has received his or her degree
11 from an accredited medical school (as ac-
12 credited by the Liaison Committee on Med-
13 ical Education or as defined by this title
14 IV); and

15 “(ii)(I) has been accepted to, or cur-
16 rently participates in, a graduate medical
17 education training program or fellowship
18 (or both) to provide health care services
19 (as recognized by the Accreditation Council
20 for Graduate Medical Education); or

21 “(II) has been accepted into, or cur-
22 rently participates in, a graduate medical
23 education program or fellowship (or both)
24 to provide health care services that—

1 “(aa) requires more than 5 years
2 of total graduate medical training;
3 and

4 “(bb) has fewer United States
5 medical school graduate applicants
6 than the total number of training and
7 fellowship positions available in the
8 programs specified in subclause (I) of
9 this clause.

10 “(F) ADDITIONAL AREAS OF NATIONAL
11 NEED.—An individual who is employed in an
12 area designated by the Secretary under para-
13 graph (2) and has completed a baccalaureate or
14 advanced degree related to such area.

15 “(2) DESIGNATION OF AREAS OF NATIONAL
16 NEED.—After consultation with appropriate Federal,
17 State, and community-based agencies and organiza-
18 tions, the Secretary shall designate areas of national
19 need. In making such designations, the Secretary
20 shall take into account the extent to which—

21 “(A) the national interest in the area is
22 compelling;

23 “(B) the area suffers from a critical lack
24 of qualified personnel; and

1 “(C) other Federal programs support the
2 area concerned.

3 “(d) QUALIFIED LOAN AMOUNT.—Subject to sub-
4 section (b)(2), the Secretary shall repay not more than
5 \$5,000 in the aggregate of the loan obligation on a loan
6 made under section 428 or 428H that is outstanding after
7 the completion of the fifth consecutive school, academic,
8 or calendar year, as appropriate, described in subsection
9 (b)(1).

10 “(e) CONSTRUCTION.—Nothing in this section shall
11 be construed to authorize the refunding of any repayment
12 of a loan made under section 428 or 428H.

13 “(f) INELIGIBILITY OF NATIONAL SERVICE AWARD
14 RECIPIENTS.—No student borrower may, for the same
15 service, receive a benefit under both this section and sub-
16 title D of title I of the National and Community Service
17 Act of 1990 (42 U.S.C. 12601 et seq.).

18 “(g) INELIGIBILITY FOR DOUBLE BENEFITS.—No
19 borrower may receive a reduction of loan obligations under
20 both this section and section 428J or 460.

21 “(h) DEFINITIONS.—In this section

22 “(1) CHILD CARE FACILITY.—The term ‘child
23 care facility’ means a facility, including a home,
24 that—

1 “(A) provides for the education and care of
2 children from birth through age 5; and

3 “(B) meets any applicable State or local
4 government licensing, certification, approval, or
5 registration requirements.

6 “(2) CRITICAL FOREIGN LANGUAGE.—The term
7 ‘critical foreign language’ includes the languages of
8 Arabic, Korean, Japanese, Chinese, Pashto, Persian-
9 Farsi, Serbian-Croatian, Russian, Portuguese, and
10 any other language identified by the Secretary of
11 Education, in consultation with the Defense Lan-
12 guage Institute, the Foreign Service Institute, and
13 the National Security Education Program, as a crit-
14 ical foreign language need.

15 “(3) EARLY CHILDHOOD EDUCATOR.—The
16 term ‘early childhood educator’ means an early
17 childhood educator employed in an eligible preschool
18 program who has completed a baccalaureate or ad-
19 vanced degree in early childhood development, early
20 childhood education, or in a field related to early
21 childhood education.

22 “(4) ELIGIBLE PRESCHOOL PROGRAM.—The
23 term ‘eligible preschool program’ means a program
24 that provides for the care, development, and edu-
25 cation of infants, toddlers, or young children

1 through age 5, meets any applicable State or local
2 government licensing, certification, approval, and
3 registration requirements, and is operated by—

4 “(A) a public or private school that may be
5 supported, sponsored, supervised, or adminis-
6 tered by a local educational agency;

7 “(B) a Head Start agency serving as a
8 grantee designated under the Head Start Act
9 (42 U.S.C. 9831 et seq.);

10 “(C) a nonprofit or community based orga-
11 nization; or

12 “(D) a child care program, including a
13 home.

14 “(5) LOW-INCOME COMMUNITY.—In this sub-
15 section, the term ‘low-income community’ means a
16 community in which 70 percent of households earn
17 less than 85 percent of the State median household
18 income.

19 “(6) NURSE.—The term ‘nurse’ means a nurse
20 who meets all of the following:

21 “(A) The nurse graduated from an accred-
22 ited school of nursing (as those terms are de-
23 fined in section 801 of the Public Health Serv-
24 ice Act (42 U.S.C. 296)).

1 “(B) The nurse holds a valid and unre-
2 stricted license to practice nursing in the State
3 in which the nurse practices in a clinical setting
4 or from an accredited school of nursing (as
5 those terms are defined in section 801 of the
6 Public Health Service Act (42 U.S.C. 296)).

7 “(C) The nurse holds one or more of the
8 following:

9 “(i) A graduate degree in nursing, or
10 an equivalent degree.

11 “(ii) A nursing degree from a colle-
12 giate school of nursing (as defined in sec-
13 tion 801 of the Public Health Service Act
14 (42 U.S.C. 296)).

15 “(iii) A nursing degree from an asso-
16 ciate degree school of nursing (as defined
17 in section 801 of the Public Health Service
18 Act (42 U.S.C. 296)).

19 “(iv) A nursing degree from a diploma
20 school of nursing (as defined in section
21 801 of the Public Health Service Act (42
22 U.S.C. 296)).

23 “(7) SPEECH-LANGUAGE PATHOLOGIST.—The
24 term ‘speech-language pathologist’ means a speech-
25 language pathologist who meets all of the following:

1 “(A) the speech-language pathologist has
2 received, at a minimum, a graduate degree in
3 speech-language pathology or communication
4 sciences and disorders from an institution of
5 higher education; and

6 “(B) the speech-language pathologist
7 meets or exceeds the qualifications as defined in
8 section 1861(11) of the Social Security Act (42
9 U.S.C. 1395x).

10 “(i) AUTHORIZATION OF APPROPRIATIONS.—There
11 are authorized to be appropriated to carry out this section
12 such sums as may be necessary for fiscal year 2008 and
13 such sums as may be necessary for each of the 5 suc-
14 ceeding fiscal years.”.

15 **SEC. 423. ADDITIONAL ADMINISTRATIVE PROVISIONS.**

16 (a) REPAYMENT PLANS.—Section 428(b)(9)(A) (20
17 U.S.C. 1078(b)(9)(A)) is amended by inserting before the
18 semicolon at the end of clause (ii) the following: “, and
19 the Secretary may not restrict the proportions or ratios
20 by which such payments may be graduated with the in-
21 formed agreement of the borrower”.

22 (b) ADDITIONAL CLARIFICATION ON INDUCEMENTS,
23 PAYMENTS, MAILINGS, AND ADVERTISING BY GUARANTY
24 AGENCIES.—Section 428(b) (20 U.S.C. 1078(b)) is

1 amended by striking paragraph (3) and inserting the fol-
2 lowing:

3 “(3) RESTRICTIONS ON INDUCEMENTS, PAY-
4 MENTS, MAILINGS, AND ADVERTISING.—A guaranty
5 agency shall not—

6 “(A) offer, directly or indirectly, premiums,
7 payments, stock or other securities, prizes, trav-
8 el, entertainment expenses, tuition repayment,
9 or other inducements to—

10 “(i) any institution of higher edu-
11 cation or the employees of an institution of
12 higher education in order to secure appli-
13 cants for loans made under this part; or

14 “(ii) any lender, or any agent, em-
15 ployee, or independent contractor of any
16 lender or guaranty agency, in order to ad-
17 minister or market loans made under this
18 part (other than a loan made under section
19 428H or a loan made as part of the guar-
20 anty agency’s lender-of-last-resort program
21 pursuant to section 439(q)) for the pur-
22 pose of securing the designation of the
23 guaranty agency as the insurer of such
24 loans;

1 “(B) conduct unsolicited mailings, by post-
2 al or electronic means, of educational loan ap-
3 plication forms to students enrolled in sec-
4 ondary school or postsecondary educational in-
5 stitutions, or to the parents of such students,
6 except that applications may be mailed, by post-
7 al or electronic means, to students or borrowers
8 who have previously received loans guaranteed
9 under this part by the guaranty agency;

10 “(C) perform, for an institution of higher
11 education participating in a program under this
12 title, any function that the institution is re-
13 quired to perform under part B, D, or G;

14 “(D) pay, on behalf of the institution of
15 higher education, another person to perform
16 any function that the institution of higher edu-
17 cation is required to perform under part B, D,
18 or G; or

19 “(E) conduct fraudulent or misleading ad-
20 vertising concerning loan availability, terms, or
21 conditions.

22 It shall not be a violation of this paragraph for a
23 guaranty agency to provide technical assistance to
24 institutions of higher education comparable to the

1 technical assistance provided to institutions of high-
2 er education by the Department.”.

3 (c) COUNTING OF CONSOLIDATION LOANS AGAINST
4 LIMITS.—

5 (1) AMENDMENT.—Section 428C(a)(3)(B) (20
6 U.S.C. 1078–3(a)(3)(B)) is amended by adding at
7 the end the following new clause:

8 “(ii) Loans made under this section shall, to
9 the extent used to pay off the outstanding principal
10 balance on loans made under this title, excluding
11 capitalized interest, be counted against the applica-
12 ble limitations on aggregate indebtedness contained
13 in sections 425(a)(2), 428(b)(1)(B), 428H(d), 455,
14 and 464(a)(2)(B).”.

15 (2) EFFECTIVE DATE.—The amendments made
16 by this subsection shall apply with respect to any
17 loan made, insured, or guaranteed under part B or
18 part D of title IV of the Higher Education Act of
19 1965 for which the first disbursement of principal is
20 made on or after the date of enactment of this Act.

21 (d) VOLUNTARY FLEXIBLE AGREEMENTS.—Section
22 428A(c) (20 U.S.C. 1078–1(c)) is amended by striking
23 paragraph (3) and inserting the following:

24 “(3) NOTICE TO INTERESTED PARTIES.—Once
25 the Secretary reaches a tentative agreement in prin-

1 ciple under this section, the Secretary shall publish
2 in the Federal Register a notice that invites inter-
3 ested parties to comment on the proposed agree-
4 ment. The notice shall state how to obtain a copy of
5 the tentative agreement in principle and shall give
6 interested parties no less than 30 days to provide
7 comments. The Secretary may consider such com-
8 ments prior to providing the notices pursuant to
9 paragraph (2).”.

10 (e) FINANCIAL AND ECONOMIC LITERACY.—

11 (1) DEFAULT REDUCTION PROGRAM.—Section
12 428F is amended by adding at the end the following:

13 “(c) FINANCIAL AND ECONOMIC LITERACY.—Where
14 appropriate, each program described under subsection (b)
15 shall include making available financial and economic edu-
16 cation materials for the borrower.”.

17 (2) PROGRAM ASSISTANCE FOR BORROWERS.—

18 Section 432(k)(1) (20 U.S.C. 1082(k)(1)) is amend-
19 ed by striking “and offering” and all that follows
20 through the period and inserting “, offering loan re-
21 payment matching provisions as part of employee
22 benefit packages, and providing employees with fi-
23 nancial and economic education and counseling.”.

24 (f) CREDIT BUREAU ORGANIZATION AGREE-
25 MENTS.—Section 430A(a) (20 U.S.C. 1080a(a)) is

1 amended by striking “agreements with credit bureau orga-
2 nizations” and inserting “an agreement with each national
3 credit bureau organization (as described in section 603(p)
4 of the Fair Credit Reporting Act)”.

5 (g) DEFAULT REDUCTION MANAGEMENT.—Section
6 432 is further amended—

7 (1) by striking subsection (n); and

8 (2) by redesignating subsections (o) and (p) as
9 subsections (n) and (o), respectively.

10 (h) DEFINITION OF ELIGIBLE LENDER.—Section
11 435(d)(5) (20 U.S.C. 1085(d)(5)) is amended—

12 (1) by redesignating subparagraphs (C) and
13 (D) as subparagraphs (H) and (I), respectively; and

14 (2) by striking subparagraphs (A) and (B) and
15 inserting the following:

16 “(A) offered, directly or indirectly, points,
17 premiums, payments (including payments for
18 referrals and for processing or finder fees),
19 prizes, stock or other securities, travel, enter-
20 tainment expenses, tuition repayment, the pro-
21 vision of information technology equipment at
22 below-market value, additional financial aid
23 funds, or other inducements to any institution
24 of higher education or any employee of an insti-

1 tution of higher education in order to secure
2 applicants for loans under this part;

3 “(B) conducted unsolicited mailings, by
4 postal or electronic means, of student loan ap-
5 plication forms to students enrolled in sec-
6 ondary school or postsecondary institutions, or
7 to parents of such students, except that applica-
8 tions may be mailed, by postal or electronic
9 means, to students or borrowers who have pre-
10 viously received loans under this part from such
11 lender;

12 “(C) entered into any type of consulting
13 arrangement, or other contract to provide serv-
14 ices to a lender, with an employee who is em-
15 ployed in the financial aid office of an institu-
16 tion of higher education, or who otherwise has
17 responsibilities with respect to student loans or
18 other financial aid of the institution;

19 “(D) compensated an employee who is em-
20 ployed in the financial aid office of an institu-
21 tion of higher education, or who otherwise has
22 responsibilities with respect to educational loans
23 or other financial aid of the institution, and
24 who is serving on an advisory board, commis-
25 sion, or group established by a lender or group

1 of lenders for providing such service, except
2 that the eligible lender may reimburse such em-
3 ployee for reasonable expenses incurred in pro-
4 viding such service;

5 “(E) performed for an institution of higher
6 education any function that the institution of
7 higher education is required to carry out under
8 part B, D, or G;

9 “(F) paid, on behalf of an institution of
10 higher education, another person to perform
11 any function that the institution of higher edu-
12 cation is required to perform under part B, D,
13 or G;

14 “(G) provided payments or other benefits
15 to a student at an institution of higher edu-
16 cation to act as the lender’s representative to
17 secure applications under this title from indi-
18 vidual prospective borrowers, unless such stu-
19 dent—

20 “(i) is also employed by the lender for
21 other purposes; and

22 “(ii) made all appropriate disclosures
23 regarding such employment;”.

1 (i) STUDENT LOAN INFORMATION.—Section 435(m)
2 (20 U.S.C. 1085(m)) is amended by adding at the end
3 the following new paragraph:

4 “(5) STUDENT LOAN INFORMATION.—

5 “(A) Notwithstanding any other provision
6 of law or regulation, a lender, secondary mar-
7 ket, holder, or guaranty agency shall provide,
8 free of charge and in a timely and effective
9 manner, any student loan information main-
10 tained by that entity that is requested by an in-
11 stitution of higher education and any third-
12 party servicer (as defined in section 481(c))
13 working on behalf of that institution to prevent
14 student loan defaults.

15 “(B) An institution and any third-party
16 servicer obtaining access to information under
17 subparagraph (A) shall safeguard that informa-
18 tion in order to prevent potential abuses of that
19 information, including identity theft.

20 “(C) Any third party servicer that obtains
21 information under this subparagraph shall only
22 use the information in a manner directly related
23 to the default prevention work the servicer is
24 performing on behalf of the institution of higher
25 education.”.

1 (j) **DISABILITY DETERMINATIONS.**—Section 437(a)
2 (20 U.S.C. 1087(a)) is amended by adding at the end the
3 following new sentence: “In making such determination of
4 permanent and total disability, the Secretary shall provide
5 that a borrower who has been certified as permanently and
6 totally disabled by the Department of Veterans Affairs or
7 the Social Security Administration shall not be required
8 to present further documentation for purposes of this
9 title.”.

10 (k) **TREATMENT OF FALSELY CERTIFIED BOR-**
11 **ROWERS.**—Section 437(c)(1) (20 U.S.C. 1087(c)(1)) is
12 amended by inserting “or parent’s eligibility” after “such
13 student’s eligibility”.

14 (l) **ADDITIONAL TECHNICAL AMENDMENTS.**—

15 (1) Section 428(a)(2)(A) (20 U.S.C.
16 1078(a)(2)(A)) is amended—

17 (A) by striking “and” at the end of sub-
18 clause (II) of clause (i); and

19 (B) by moving the margin of clause (iii)
20 two ems to the left.

21 (2) Section 428G(e) (20 U.S.C. 1078–7(e)) is
22 amended by striking “, made to a student to cover
23 the cost of attendance at an eligible institution out-
24 side the United States,”.

1 **SEC. 424. ELIMINATION OF AUCTION.**

2 Part I of title IV (as added by section 701 of the
3 College Cost Reduction and Access Act) is repealed.

4 **PART C—FEDERAL WORK-STUDY PROGRAMS**

5 **SEC. 441. AUTHORIZATION OF APPROPRIATIONS.**

6 Section 441(b) (42 U.S.C. 2751(b)) is amended—

7 (1) by striking “1999” and inserting “2008”;

8 and

9 (2) by striking “4 succeeding” and inserting “5
10 succeeding”.

11 **SEC. 442. COMMUNITY SERVICE.**

12 Section 441(c)(1) (42 U.S.C. 2751(c)(1)) is amended
13 by striking “that are open and accessible to the commu-
14 nity”.

15 **SEC. 443. ALLOCATION OF FUNDS.**

16 (a) **ELIGIBILITY FOR ADDITIONAL ALLOCATIONS.—**

17 Section 442(a)(4) (42 U.S.C. 2752(a)(4)) is amended by
18 striking subparagraph (B) and inserting the following:

19 “(B) An otherwise eligible institution may receive a
20 portion of the allocation described in subparagraph (A)
21 if—

22 (i) not less than 10 percent of the students at-
23 tending the institution receive Federal Pell Grants;
24 and

25 (ii)(I) in the case of an institution that offers
26 programs of at least 4 years in duration, if its grad-

1 uation rate for Federal Pell Grant recipients attend-
2 ing the institution and graduating within the period
3 of time equal to normal duration of the longest un-
4 dergraduate program offered by the institution, as
5 measured from the first day of their enrollment, ex-
6 ceeds the median rate for the class of institution (as
7 defined in section 131(f)(7)(C)); or

8 “(II) in the case of an institution that offers
9 programs of at least 2, but less than 4, years in du-
10 ration, if its rate for Federal Pell Grant recipients
11 attending the institution and graduating or transfer-
12 ring to an institution that offers programs of at
13 least 4 years in duration within the period of time
14 equal to the normal duration of the program offered,
15 as measured from the first day of their enrollment,
16 exceeds the median rate for the class of institution
17 (as defined in section 131(f)(7)(C)).”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 subsection (a) shall apply with respect to any amounts ap-
20 propriated under section 441(b) of the Higher Education
21 Act of 1965 (42 U.S.C. 2751(b)) for fiscal year 2009 or
22 any succeeding fiscal year.

23 **SEC. 444. BOOKS AND SUPPLIES.**

24 Section 442(c)(4)(D) (42 U.S.C. 2752(c)(4)(D)) is
25 amended by striking “\$450” and inserting “\$600”.

1 **SEC. 445. JOB LOCATION AND DEVELOPMENT.**

2 Section 446(a)(1) (42 U.S.C. 2756(a)(1)) is amend-
3 ed—

4 (1) by striking “10 percent or \$50,000” and in-
5 serting “15 percent or \$75,000”; and

6 (2) by inserting before the period at the end the
7 following: “, except that not less than one-third of
8 such amount shall be specifically allocated to locate
9 and develop community service jobs”.

10 **SEC. 446. WORK COLLEGES.**

11 Section 448 (42 U.S.C. 2756b) is amended—

12 (1) by striking “work-learning” each place it
13 appears and inserting “work-learning-service”;

14 (2) by amending subparagraph (C) of sub-
15 section (e)(1) to read as follows:

16 “(C) requires all resident students, includ-
17 ing at least one-half of all students who are en-
18 rolled on a full-time basis, to participate in a
19 comprehensive work-learning-service program
20 for at least 5 hours each week, or at least 80
21 hours during each period of enrollment, unless
22 the student is engaged in an institutionally or-
23 ganized or approved study abroad or externship
24 program; and”;

25 (3) by amending paragraph (2) of subsection
26 (e) to read as follows:

1 “(2) the term ‘comprehensive student work-
2 learning-service program’—

3 “(A) means a student work-learning-serv-
4 ice program that is an integral and stated part
5 of the institution’s educational philosophy and
6 program;

7 “(B) requires participation of all resident
8 students for enrollment and graduation;

9 “(C) includes learning objectives, evalua-
10 tion, and a record of work performance as part
11 of the student’s college record;

12 “(D) provides programmatic leadership by
13 college personnel at levels comparable to tradi-
14 tional academic programs;

15 “(E) recognizes the educational role of
16 work-learning-service supervisors; and

17 “(F) includes consequences for non-
18 performance or failure in the work-learning-
19 service program similar to the consequences for
20 failure in the regular academic program.”; and

21 (4) in subsection (f), by striking “1999 and
22 such sums as may be necessary for each of the 4
23 succeeding fiscal years” and inserting “2008 and
24 such sums as may be necessary for the 5 succeeding
25 fiscal years”.

1 **SEC. 447. WORK ASSISTANCE FOR STUDENTS IN COM-**
2 **PREHENSIVE POSTSECONDARY PROGRAMS**
3 **FOR STUDENTS WITH MENTAL RETARDA-**
4 **TION.**

5 (a) AMENDMENT.—Part C of title IV (42 U.S.C.
6 2751 et seq.) is further amended by adding at the end
7 thereof the following new section:

8 **“SEC. 449. WORK ASSISTANCE FOR STUDENTS IN COM-**
9 **PREHENSIVE POSTSECONDARY PROGRAMS**
10 **FOR STUDENTS WITH MENTAL RETARDA-**
11 **TION.**

12 “(a) PURPOSE.—It is the purpose of this section to
13 enable an institution participating under this part that of-
14 fers a comprehensive postsecondary program for students
15 with mental retardation to provide work assistance to such
16 students enrolled in that program in order to assist these
17 students with the costs of postsecondary education and
18 improve their academic and personal skills, independence,
19 and employability.

20 “(b) PROGRAM AUTHORITY.—(1) An institution of
21 higher education participating under this part may, pursu-
22 ant to a plan developed in accordance with subsection (c)
23 and approved by the Secretary, transfer funds allocated
24 under section 442 for use under this section to award work
25 assistance to students with mental retardation who are en-
26 rolled and maintaining satisfactory progress in a com-

1 prehensive postsecondary program for students with men-
2 tal retardation at that institution.

3 “(2)(A) Notwithstanding any other provisions of this
4 Act, the following requirements do not apply to students
5 seeking work assistance under this section:

6 “(i) Student eligibility requirements relating to
7 enrollment in a program leading to a recognized
8 education credential under section 484(a)(1).

9 “(ii) Satisfactory progress requirements under
10 sections 484(a)(2) and (c).

11 “(iii) Student eligibility requirements relating to
12 the satisfaction of secondary education standards
13 under section 484(d).

14 “(iv) Determination of need in accordance with
15 part F.

16 “(v) The common financial reporting form de-
17 veloped and processed pursuant to section 483, and
18 any related aid processing, disbursement, and deliv-
19 ery requirements as the Secretary may specify.

20 “(vi) Any reporting requirements that the Sec-
21 retary may specify.

22 “(B) Notwithstanding any other provisions of this
23 Act, the requirement that a program lead to a degree or
24 certificate, or meet the requirements of section 481(b),
25 shall not apply to comprehensive postsecondary programs

1 for students with mental retardation at institutions of
2 higher education that are otherwise eligible to participate
3 under this part.

4 “(c) AGREEMENT WITH THE SECRETARY.—An insti-
5 tution of higher education that wishes to provide work as-
6 sistance under this section shall prepare, and submit to
7 the Secretary for approval, a plan describing how work
8 assistance will be awarded under this section to students
9 with mental retardation who are enrolled in a comprehen-
10 sive postsecondary program for students with mental re-
11 tardation at that institution. That plan shall include—

12 “(1) a description of how the institution will de-
13 termine which students in the program will receive
14 work assistance, including what criteria will be used
15 for determining the student’s financial need for the
16 assistance in lieu of a determination under part F;

17 “(2) a description of the types of jobs in which
18 students in the program will be employed, at what
19 rates of compensation, and the number of hours that
20 a student may work;

21 “(3) the maximum dollar amount of assistance
22 that the institution may award to a student in the
23 program; and

1 “(4) a requirement that the Federal share of
2 the compensation of a student in the program shall
3 not exceed 75 percent.

4 “(d) DEFINITIONS.—For the purpose of this section:

5 “(1) COMPREHENSIVE POSTSECONDARY PRO-
6 GRAM FOR STUDENTS WITH MENTAL RETARDA-
7 TION.—The term ‘comprehensive postsecondary pro-
8 gram for students with mental retardation’ means a
9 degree, certificate, or nondegree program offered by
10 an institution of higher education that—

11 “(A) is designed for students with mental
12 retardation who seek to continue academic, vo-
13 cational, and independent living instruction at
14 the institution to prepare for gainful employ-
15 ment;

16 “(B) includes an advising and curriculum
17 structure; and

18 “(C) includes enrollment by the student
19 (through regular enrollment, auditing courses,
20 participation in internships, or enrollment in
21 noncredit, nondegree courses) in the equivalent
22 of not less than half-time enrollment, as defined
23 by the institution.

24 “(2) STUDENT WITH MENTAL RETARDATION.—
25 The term ‘student with mental retardation’ means a

1 student with significantly subaverage general intel-
2 lectual functioning, existing concurrently with defi-
3 cits in adaptive behavior and manifested during the
4 developmental period, that adversely affects a stu-
5 dent's educational performance.

6 “(3) SATISFACTORY PROGRESS.—A student
7 with mental retardation enrolled in a comprehensive
8 postsecondary program for students with mental re-
9 tardation is maintaining satisfactory progress if—

10 “(A) the institution at which that student
11 is enrolled reviews the progress of the student
12 at the end of each academic year, or its equiva-
13 lent, as determined by the institution; and

14 “(B) the institution determines that the
15 student is meeting or exceeding the program re-
16 quirements and adequately progressing toward
17 program completion.”.

18 (b) EFFECTIVE DATE.—The amendments made by
19 subsection (a) shall be effective for academic year 2008–
20 2009 and succeeding academic years.

21 **PART D—FEDERAL DIRECT LOAN PROGRAM**

22 **SEC. 451. INCOME CONTINGENT REPAYMENT.**

23 Section 455(e)(2) (20 U.S.C. 1087e(e)(2)) is amend-
24 ed by striking “and files a Federal income tax return
25 jointly with the borrower's spouse”.

1 **PART E—FEDERAL PERKINS LOAN PROGRAM**

2 **SEC. 461. REAUTHORIZATION OF PROGRAM.**

3 (a) PROGRAM AUTHORIZATION.—

4 (1) AUTHORIZATION OF APPROPRIATIONS.—

5 Section 461(b) (20 U.S.C. 1087aa(b)) is amended—

6 (A) in paragraph (1)—

7 (i) by striking “1999” and inserting

8 “2008”; and

9 (ii) by striking “4 succeeding” and in-

10 serting “5 succeeding”; and

11 (B) in paragraph (2), by striking “2003”

12 each place it appears and inserting “2014”.

13 (2) FEDERAL CAPITAL CONTRIBUTION RECOV-
14 ERY.—Section 466 (20 U.S.C. 1087ff) is amended—

15 (A) by striking “2004” each place it ap-
16 pears in subsections (a) and (c) and inserting
17 “2014”;

18 (B) by striking “2003” each place it ap-
19 pears in subsections (a) and (b), and inserting
20 “2013”; and

21 (C) by striking “2012” in subsection (b)
22 and inserting “2014”.

23 (b) BOOKS AND SUPPLIES.—Section 462(c)(4)(D)
24 (20 U.S.C. 1087bb(c)(4)(D)) is amended by striking
25 “\$450” and inserting “\$600”.

1 **SEC. 462. LOAN TERMS AND CONDITIONS.**

2 (a) LOAN LIMITS.—Section 464(a) (20 U.S.C.
3 1087dd(a)) is amended—

4 (1) in paragraph (2)(A)—

5 (A) by striking “\$4,000” in clause (i) and
6 inserting “\$5,500”; and

7 (B) by striking “\$6,000” in clause (ii) and
8 inserting “\$8,000”; and

9 (2) in paragraph (2)(B)—

10 (A) by striking “\$40,000” in clause (i) and
11 inserting “\$60,000”;

12 (B) by striking “\$20,000” in clause (ii)
13 and inserting “\$27,500”; and

14 (C) by striking “\$8,000” in clause (iii) and
15 inserting “\$11,000”.

16 (b) FORBEARANCE.—Section 464(e) (20 U.S.C.
17 1087dd(e)) is amended by striking “, upon written re-
18 quest,”.

19 (c) SPECIAL REPAYMENT RULE.—Paragraph (2) of
20 section 464(f) is amended to read as follows:

21 “(2) No compromise repayment of a defaulted loan
22 as authorized by paragraph (1) may be made unless
23 agreed to by the Secretary.”.

24 (d) REHABILITATION.—Section 464(h)(1)(A) (20
25 U.S.C. 1087dd(h)(1)(A)) is amended by striking “12
26 ontime” and inserting “9 on-time”.

1 **SEC. 463. LOAN CANCELLATION.**

2 Section 465(a)(3)(A) (20 U.S.C. 1087ee(a)(3)(A)) is
3 amended—

4 (1) by inserting “(D),” after “subparagraph
5 (A), (C),” in clause (i);

6 (2) by inserting “or” after the semicolon at the
7 end of clause (ii);

8 (3) by striking clause (iii); and

9 (4) by redesignating clause (iv) as clause (iii).

10 **SEC. 464. TECHNICAL AMENDMENTS.**

11 Part E is further amended as follows:

12 (1) Section 462(g)(1)(E)(i)(I) (20 U.S.C.
13 1087bb(g)(1)(E)(i)(I)) is amended by inserting
14 “monthly” after “consecutive”.

15 (2) Section 464(c)(1)(D) (20 U.S.C.
16 1087dd(c)(1)(D)) is amended by redesignating sub-
17 clauses (I) and (II) as clauses (i) and (ii), respec-
18 tively.

19 (3) Section 465(a)(2) (20 U.S.C. 1087ee(a)(2))
20 is amended in subparagraph (A), by striking “sec-
21 tion 111(c)” and inserting “section 1113(a)(5)”.

22 (4) Section 467(b) (20 U.S.C. 1087gg(b)) is
23 amended by striking “(5)(A), (5)(B)(i), or (6)” and
24 inserting “(4)(A), (4)(B), or (5)”.

25 (5) Section 469(c) (20 U.S.C. 1087ii(c)) is
26 amended—

1 (A) by striking “sections 602 and 632”
2 and inserting “sections 602(3) and 632(5)”;

3 (B) by striking “qualified professional pro-
4 vider of early intervention services” and insert-
5 ing “early intervention services”; and

6 (C) by striking “section 672(2)” and in-
7 serting “section 632(4)”.

8 **PART F—NEED ANALYSIS**

9 **SEC. 471. SIGNIFICANTLY SIMPLIFYING THE STUDENT AID**
10 **APPLICATION PROCESS.**

11 (a) IMPROVEMENTS TO PAPER AND ELECTRONIC
12 FORMS.—

13 (1) COMMON FINANCIAL AID FORM DEVELOP-
14 MENT AND PROCESSING.—Section 483(a) (20 U.S.C.
15 1090(a)) is amended—

16 (A) by striking paragraphs (1), (2), and
17 (5);

18 (B) by redesignating paragraphs (3), (4),
19 (6), and (7), as paragraphs (9), (10), (11), and
20 (12), respectively;

21 (C) by inserting before paragraph (9), as
22 redesignated by subparagraph (B), the fol-
23 lowing:

24 “(1) IN GENERAL.—The Secretary, in coopera-
25 tion with representatives of agencies and organiza-

1 tions involved in student financial assistance, shall
2 produce, distribute, and process free of charge com-
3 mon financial reporting forms as described in this
4 subsection to be used for application and reapplica-
5 tion to determine the need and eligibility of a stu-
6 dent for financial assistance under parts A through
7 E (other than subpart 4 of part A). These forms
8 shall be made available to applicants in both paper
9 and electronic formats and shall be referred to as
10 the ‘Free Application for Federal Student Aid’ or
11 the ‘FAFSA’.

12 “(2) EARLY ESTIMATES.—

13 “(A) IN GENERAL.—The Secretary shall
14 permit applicants to complete such forms as de-
15 scribed in this subsection in the 4 years prior
16 to enrollment in order to obtain a non-binding
17 estimate of the family contribution, as defined
18 in section 473. The estimate shall clearly and
19 conspicuously indicate that it is only an esti-
20 mate of family contribution, and may not re-
21 flect the actual family contribution of the appli-
22 cant that shall be used to determine the grant,
23 loan, or work assistance that the applicant may
24 receive under this title when enrolled in a pro-
25 gram of postsecondary education. Such appli-

1 cants shall be permitted to update information
2 submitted on forms described in this subsection
3 using the process required under paragraph
4 (5)(A).

5 “(B) EVALUATION.—Two years after the
6 early estimates are implemented under this
7 paragraph and from data gathered from the
8 early estimates, the Secretary shall evaluate the
9 differences between initial, non-binding early es-
10 timates and the final financial aid award made
11 available under this title.

12 “(C) REPORT.—The Secretary shall pro-
13 vide a report to the authorizing committees on
14 the results of the evaluation.

15 “(3) PAPER FORMAT.—

16 “(A) IN GENERAL.—The Secretary shall
17 produce, distribute, and process common forms
18 in paper format to meet the requirements of
19 paragraph (1). The Secretary shall develop a
20 common paper form for applicants who do not
21 meet the requirements of subparagraph (B).

22 “(B) EZ FAFSA.—

23 “(i) IN GENERAL.—The Secretary
24 shall develop and use a simplified paper
25 application form, to be known as the ‘EZ

1 FAFSA’, to be used for applicants meeting
2 the requirements of section 479(c).

3 “(ii) REDUCED DATA REQUIRE-
4 MENTS.—The form under this subpara-
5 graph shall permit an applicant to submit,
6 for financial assistance purposes, only the
7 data elements required to make a deter-
8 mination of whether the applicant meets
9 the requirements under section 479(c).

10 “(iii) STATE DATA.—The Secretary
11 shall include on the form under this sub-
12 paragraph such data items as may be nec-
13 essary to award State financial assistance,
14 as provided under paragraph (6), except
15 that the Secretary shall not include a
16 State’s data if that State does not permit
17 its applicants for State assistance to use
18 the form under this subparagraph.

19 “(iv) FREE AVAILABILITY AND PROC-
20 ESSING.—The provisions of paragraph (7)
21 shall apply to the form under this subpara-
22 graph, and the data collected by means of
23 the form under this subparagraph shall be
24 available to institutions of higher edu-

1 cation, guaranty agencies, and States in
2 accordance with paragraph (9).

3 “(v) TESTING.—The Secretary shall
4 conduct appropriate field testing on the
5 form under this subparagraph.

6 “(C) PROMOTING THE USE OF ELEC-
7 TRONIC FAFSA.—

8 “(i) IN GENERAL.—The Secretary
9 shall—

10 “(I) develop a form that uses
11 skip logic to simplify the application
12 process for applicants; and

13 “(II) make all efforts to encour-
14 age applicants to utilize the electronic
15 forms described in paragraph (4).

16 “(ii) MAINTENANCE OF THE FAFSA IN
17 A PRINTABLE ELECTRONIC FILE.—The
18 Secretary shall maintain a version of the
19 paper forms described in subparagraphs
20 (A) and (B) in a printable electronic file
21 that is easily portable. The printable elec-
22 tronic file will be made easily accessible
23 and downloadable to students on the same
24 website used to provide students with the
25 electronic application forms described in

1 paragraph (4) of this subsection. The Sec-
2 retary shall enable students to submit a
3 form created under this subparagraph that
4 is downloaded and printed from an elec-
5 tronic file format in order to meet the fil-
6 ing requirements of this section and in
7 order to receive aid from programs under
8 this title.

9 “(iii) REPORTING REQUIREMENT.—

10 The Secretary shall report annually to
11 Congress on the impact of the digital di-
12 vide on students completing applications
13 for title IV aid described under this para-
14 graph and paragraph (4). The Secretary
15 will also report on the steps taken to elimi-
16 nate the digital divide and phase out the
17 paper form described in subparagraph (A)
18 of this paragraph. The Secretary’s report
19 will specifically address the impact of the
20 digital divide on the following student pop-
21 ulations: dependent students, independent
22 students without dependents, and inde-
23 pendent students with dependents other
24 than a spouse.

25 “(4) ELECTRONIC FORMAT.—

1 “(A) IN GENERAL.—The Secretary shall
2 produce, distribute, and process common forms
3 in electronic format to meet the requirements of
4 paragraph (1). The Secretary shall develop
5 common electronic forms for applicants who do
6 not meet the requirements of subparagraph (C)
7 of this paragraph.

8 “(B) STATE DATA.—The Secretary shall
9 include on the common electronic forms space
10 for information that needs to be submitted from
11 the applicant to be eligible for State financial
12 assistance, as provided under paragraph (6), ex-
13 cept the Secretary shall not require applicants
14 to complete data required by any State other
15 than the applicant’s State of residence.

16 “(C) SIMPLIFIED APPLICATIONS: FAFSA ON
17 THE WEB.—

18 “(i) IN GENERAL.—The Secretary
19 shall develop and use a simplified elec-
20 tronic application form to be used by appli-
21 cants meeting the requirements under sub-
22 section (c) of section 479 and an addi-
23 tional, separate simplified electronic appli-
24 cation form to be used by applicants meet-

1 ing the requirements under subsection (b)
2 of section 479.

3 “(ii) REDUCED DATA REQUIRE-
4 MENTS.—The simplified electronic applica-
5 tion forms shall permit an applicant to
6 submit for financial assistance purposes,
7 only the data elements required to make a
8 determination of whether the applicant
9 meets the requirements under subsection
10 (b) or (c) of section 479.

11 “(iii) STATE DATA.—The Secretary
12 shall include on the simplified electronic
13 application forms such data items as may
14 be necessary to award state financial as-
15 sistance, as provided under paragraph (6),
16 except that the Secretary shall not require
17 applicants to complete data required by
18 any State other than the applicant’s State
19 of residence.

20 “(iv) AVAILABILITY AND PROC-
21 ESSING.—The data collected by means of
22 the simplified electronic application forms
23 shall be available to institutions of higher
24 education, guaranty agencies, and States
25 in accordance with paragraph (9).

1 “(v) TESTING.—The Secretary shall
2 conduct appropriate field testing on the
3 forms developed under this subparagraph.

4 “(D) USE OF FORMS.—Nothing in this
5 subsection shall be construed to prohibit the use
6 of the forms developed by the Secretary pursu-
7 ant to this paragraph by an eligible institution,
8 eligible lender, guaranty agency, State grant
9 agency, private computer software provider, a
10 consortium thereof, or such other entities as the
11 Secretary may designate.

12 “(E) PRIVACY.—The Secretary shall en-
13 sure that data collection under this paragraph
14 complies with section 552a of title 5, United
15 States Code, and that any entity using the elec-
16 tronic version of the forms developed by the
17 Secretary pursuant to this paragraph shall
18 maintain reasonable and appropriate adminis-
19 trative, technical, and physical safeguards to
20 ensure the integrity and confidentiality of the
21 information, and to protect against security
22 threats, or unauthorized uses or disclosures of
23 the information provided on the electronic
24 version of the forms. Data collected by such
25 electronic version of the forms shall be used

1 only for the application, award, and administra-
2 tion of aid awarded under this title, State aid,
3 or aid awarded by eligible institutions or such
4 entities as the Secretary may designate. No
5 data collected by such electronic version of the
6 forms shall be used for making final aid awards
7 under this title until such data have been proc-
8 essed by the Secretary or a contractor or des-
9 ignee of the Secretary, and an expected family
10 contribution has been calculated by the Sec-
11 retary, except as may be permitted under this
12 title.

13 “(F) SIGNATURE.—Notwithstanding any
14 other provision of this Act, the Secretary may
15 permit an electronic form under this paragraph
16 to be submitted with an electronic signature.

17 “(5) STREAMLINING.—

18 “(A) STREAMLINED REAPPLICATION PROC-
19 ESS.—

20 “(i) IN GENERAL.—The Secretary
21 shall develop streamlined reapplication
22 forms and processes, including both paper
23 and electronic reapplication processes, con-
24 sistent with the requirements of this sub-

1 section, for an applicant who applies for fi-
2 nancial assistance under this title—

3 “(I) in the academic year suc-
4 ceeding the year in which such appli-
5 cant first applied for financial assist-
6 ance under this title; or

7 “(II) in any succeeding academic
8 years.

9 “(ii) MECHANISMS FOR REAPPLICA-
10 TION.—The Secretary shall develop appro-
11 priate mechanisms to support reapplica-
12 tion.

13 “(iii) IDENTIFICATION OF UPDATED
14 DATA.—The Secretary shall determine, in
15 cooperation with States, institutions of
16 higher education, agencies, and organiza-
17 tions involved in student financial assist-
18 ance, the data elements that can be up-
19 dated from the previous academic year’s
20 application.

21 “(iv) REDUCED DATA AUTHORIZED.—
22 Nothing in this title shall be construed as
23 limiting the authority of the Secretary to
24 reduce the number of data elements re-
25 quired of reapplicants.

1 “(v) ZERO FAMILY CONTRIBUTION.—
2 Applicants determined to have a zero fam-
3 ily contribution pursuant to section 479(c)
4 shall not be required to provide any finan-
5 cial data in a reapplication form, except
6 that which is necessary to determine eligi-
7 bility under such section.

8 “(B) REDUCTION OF DATA ELEMENTS.—

9 “(i) REDUCTION ENCOURAGED.—Of
10 the number of data elements on the
11 FAFSA on the date of enactment of the
12 College Access and Opportunity Act of
13 2007 (including questions on the FAFSA
14 for the purposes described in paragraph
15 (6)), the Secretary, in cooperation with
16 representatives of agencies and organiza-
17 tions involved in student financial assist-
18 ance, shall continue to reduce the number
19 of such data elements following the date of
20 enactment. Reductions of data elements
21 under paragraph (3)(B), (4)(C), or
22 (5)(A)(iv) shall not be counted towards the
23 reduction referred to in this paragraph un-
24 less those data elements are reduced for all
25 applicants.

1 “(ii) REPORT.—The Secretary shall
2 annually report to the House of Represent-
3 atives and the Senate on the progress
4 made of reducing data elements.

5 “(6) STATE REQUIREMENTS.—

6 “(A) IN GENERAL.—The Secretary shall
7 include on the forms developed under this sub-
8 section, such State-specific data items as the
9 Secretary determines are necessary to meet
10 State requirements for State need-based finan-
11 cial aid under section 415C, except as provided
12 in paragraphs (3)(B)(iii) and (4)(C)(iii) of this
13 subsection. Such items shall be selected in con-
14 sultation with State agencies in order to assist
15 in the awarding of State financial assistance in
16 accordance with the terms of this subsection,
17 except as provided in paragraphs (3)(B)(iii) and
18 (4)(C)(iii) of this subsection. The number of
19 such data items shall not be less than the num-
20 ber included on the form on October 7, 1998,
21 unless a State notifies the Secretary that the
22 State no longer requires those data items for
23 the distribution of State need-based financial
24 aid.

1 “(B) ANNUAL REVIEW.—The Secretary
2 shall conduct an annual review process to deter-
3 mine which forms and data items the States re-
4 quire to award State need-based financial aid
5 and other application requirements that the
6 States may impose.

7 “(C) STATE USE OF SIMPLIFIED FORMS.—
8 The Secretary shall encourage States to take
9 such steps as necessary to encourage the use of
10 simplified application forms, including those de-
11 scribed in paragraphs (3)(B) and (4)(C), to
12 meet the requirements under subsection (b) or
13 (c) of section 479.

14 “(D) FEDERAL REGISTER NOTICE.—The
15 Secretary shall publish on an annual basis a no-
16 tice in the Federal Register requiring State
17 agencies to inform the Secretary—

18 “(i) if the State agency is unable to
19 permit applicants to utilize the simplified
20 application forms described in paragraphs
21 (3)(B) and (4)(C); and

22 “(ii) of the State-specific data that
23 the State agency requires for delivery of
24 State need-based financial aid.

1 “(E) STATE NOTIFICATION TO THE SEC-
2 RETARY.—

3 “(i) IN GENERAL.—Each State agency
4 shall notify the Secretary—

5 “(I) whether the State permits
6 an applicant to file a form described
7 in paragraph (3)(B) or paragraph
8 (4)(C) of this subsection for purposes
9 of determining eligibility for State
10 need-based financial aid; and

11 “(II) the State-specific data that
12 the State agency requires for delivery
13 of State need-based financial aid.

14 “(ii) ACCEPTANCE OF FORMS.—In the
15 event that a State does not permit an ap-
16 plicant to file a form described in para-
17 graph (3)(B) or paragraph (4)(C) of this
18 subsection for purposes of determining eli-
19 gibility for State need-based financial
20 aid—

21 “(I) the State shall notify the
22 Secretary if the State is not permitted
23 to do so because of either State law or
24 because of agency policy; and

1 “(II) the notification under sub-
2 clause (I) shall include an estimate of
3 the program cost to permit applicants
4 to complete simplified application
5 forms under paragraphs (3)(B) and
6 paragraph (4)(C) of this subsection.

7 “(iii) LACK OF NOTIFICATION BY THE
8 STATE.—If a State does not notify the
9 Secretary pursuant to clause (i), the Sec-
10 retary shall—

11 “(I) permit residents of that
12 State to complete simplified applica-
13 tion forms under paragraphs (3)(B)
14 and paragraph (4)(C) of this sub-
15 section; and

16 “(II) not require any resident of
17 that State to complete any data pre-
18 viously required by that State under
19 this section.

20 “(7) CHARGES TO STUDENTS AND PARENTS
21 FOR USE OF FORMS PROHIBITED.—

22 “(A) FEES PROHIBITED.—The FAFSA, in
23 whatever form (including the EZ FAFSA,
24 paper, electronic, simplified, or reapplication),
25 shall be produced, distributed, and processed by

1 the Secretary and no parent or student shall be
2 charged a fee by an entity for the collection,
3 processing, or delivery of financial aid through
4 the use of the FAFSA. The need and eligibility
5 of a student for financial assistance under parts
6 A through E of this title (other than under sub-
7 part 4 of part A) may only be determined by
8 using the FAFSA developed by the Secretary
9 pursuant to this subsection. No student may re-
10 ceive assistance under parts A through E of
11 this title (other than under subpart 4 of part
12 A), except by use of the FAFSA developed by
13 the Secretary pursuant to this subsection. No
14 data collected on a form, worksheet, or other
15 document for which a fee is charged shall be
16 used to complete the FAFSA.

17 “(B) NOTICE.—Any entity that provides to
18 students or parents, or charges students or par-
19 ents for, any value-added services with respect
20 to or in connection with the FAFSA, such as
21 completion of the FAFSA, submission of the
22 FAFSA, or tracking of the FAFSA for a stu-
23 dent, shall provide to students and parents
24 clear and conspicuous notice that—

1 “(i) the FAFSA is a free Federal stu-
2 dent aid application;

3 “(ii) the FAFSA can be completed
4 without professional assistance; and

5 “(iii) includes the current Internet ad-
6 dress for the FAFSA on the Department’s
7 web site.

8 “(8) APPLICATION PROCESSING CYCLE.—The
9 Secretary shall enable students to submit a form
10 created under this subsection in order to meet the
11 filing requirements of this section and in order to re-
12 ceive aid from programs under this title and shall
13 initiate the processing of applications under this
14 subsection as early as practicable prior to January
15 1 of the student’s planned year of enrollment.”.

16 (2) MASTER CALENDAR.—Section 482(a)(1)(B)
17 (20 U.S.C. 1089) is amended to read as follows:

18 “(B) by March 1: proposed modifications,
19 updates, and notices pursuant to sections 478,
20 479(c)(2)(C), and 483(a)(6) published in the
21 Federal Register;”.

22 (b) INCREASING ACCESS TO TECHNOLOGY.—Section
23 483 (20 U.S.C. 1090) is further amended by adding at
24 the end the following:

1 “(f) ADDRESSING THE DIGITAL DIVIDE.—The Sec-
2 retary shall utilize savings accrued by moving more appli-
3 cants to the electronic forms described in subsection (a)(4)
4 to improve access to the electronic forms described in sub-
5 section (a)(4) for applicants meeting the requirements of
6 section 479(e).”.

7 **SEC. 472. DISCRETION OF STUDENT FINANCIAL AID ADMIN-**
8 **ISTRATORS.**

9 Section 479A(a) (20 U.S.C. 1087tt(a)) is amended—

10 (1) by striking “(a) IN GENERAL.—” and in-
11 serting the following:

12 “(a) AUTHORITY TO MAKE ADJUSTMENTS.—

13 “(1) ADJUSTMENTS FOR SPECIAL CIR-
14 CUMSTANCES.—”;

15 (2) by inserting before “Special circumstances
16 may” the following:

17 “(2) SPECIAL CIRCUMSTANCES DEFINED.—”;

18 (3) by inserting “a student’s status as a ward
19 of the court at any time prior to attaining 18 years
20 of age, a student’s status as an individual who was
21 adopted at or after age 13, a student’s status as a
22 homeless or unaccompanied youth (as defined in sec-
23 tion 725 of the McKinney-Vento Homeless Assist-
24 ance Act),” after “487,”;

1 (4) by inserting before “Adequate documenta-
2 tion” the following:

3 “(3) DOCUMENTATION AND USE OF SUPPLE-
4 MENTARY INFORMATION.—”; and

5 (5) by inserting before “No student” the fol-
6 lowing:

7 “(4) FEES FOR SUPPLEMENTARY INFORMATION
8 PROHIBITED.—”.

9 **PART G—GENERAL PROVISIONS RELATING TO**
10 **STUDENT FINANCIAL ASSISTANCE**

11 **SEC. 481. EXPANDING INFORMATION DISSEMINATION RE-**
12 **GARDING ELIGIBILITY FOR PELL GRANTS.**

13 Section 483(a) (20 U.S.C. 1090(a)) (as amended by
14 section 471(a)) is further amended by adding at the end
15 the following new paragraph:

16 “(13) EXPANDING INFORMATION DISSEMINA-
17 TION REGARDING ELIGIBILITY FOR PELL GRANTS.—

18 The Secretary shall make special efforts, in conjunc-
19 tion with State efforts, to notify students and their
20 parents who qualify for a free lunch under the Rich-
21 ard B. Russell National School Lunch Act (42
22 U.S.C. 1751 et seq.), the Food Stamps program, or
23 such other programs as the Secretary shall deter-
24 mine, of their potential eligibility for a maximum

1 Pell Grant, and shall disseminate such informational
2 materials as the Secretary deems appropriate.”.

3 **SEC. 482. STUDENT ELIGIBILITY.**

4 (a) TECHNICAL AMENDMENT.—Section 484(b)(5)
5 (20 U.S.C. 1091(b)(5)) is amended by inserting “or par-
6 ent (on behalf of a student)” after “student”.

7 (b) REPUBLIC OF PALAU.—Section 484 (20 U.S.C.
8 1091) is amended—

9 (1) in subsection (a)—

10 (A) in paragraph (4), by striking “the Re-
11 public of the Marshall Islands, the Federated
12 States of Micronesia, or”; and

13 (B) in paragraph (5), by striking “a cit-
14 izen of any one of the Freely Associated
15 States” and inserting “or, to the extent de-
16 scribed in subsection (j), a citizen of the Repub-
17 lic of Palau”; and

18 (2) by amending subsection (j) to read as fol-
19 lows:

20 “(j) ASSISTANCE UNDER SUBPART 1 OF PART A FOR
21 STUDENTS FROM PALAU.—Notwithstanding any other
22 provision of law, a student shall be eligible until Sep-
23 tember 30, 2008, for assistance under subpart 1 of part
24 A if the student is otherwise qualified and—

1 “(1) is a citizen of the Republic of Palau and
2 attends an institution of higher education in a State
3 or a public or nonprofit private institution of higher
4 education in the Freely Associated States; or

5 “(2) meets the requirements of subsection
6 (a)(5) and attends a public or nonprofit private in-
7 stitution of higher education in any one of the Free-
8 ly Associated States.”.

9 **SEC. 483. INSTITUTIONAL REFUNDS.**

10 Section 484B(a)(1) (20 U.S.C. 1091b(a)(1)) is
11 amended in subsection (a)(1), by inserting “subpart 4 of
12 part A or” after “received under”.

13 **SEC. 484. INSTITUTIONAL AND FINANCIAL ASSISTANCE IN-**
14 **FORMATION FOR STUDENTS.**

15 (a) **INFORMATION DISSEMINATION ACTIVITIES.**—

16 Section 485(a)(1) (20 U.S.C. 1092(a)(1)) is amended—

17 (1) by amending the second sentence to read as
18 follows: “The information required by this section
19 shall be produced and be made publicly available to
20 an enrolled student and to any prospective student,
21 through appropriate publications, mailings, elec-
22 tronic media, and the reports required by the insti-
23 tution’s accrediting agency under section
24 496(c)(9).”;

1 (2) by amending subparagraph (G) to read as
2 follows:

3 “(G) the academic programs of the institution,
4 including—

5 “(i) the current degree programs and other
6 educational and training programs;

7 “(ii) the institution’s educational mission
8 and goals;

9 “(iii) the instructional, laboratory, and
10 other physical plant facilities which relate to the
11 academic programs; and

12 “(iv) the faculty and other instructional
13 personnel;”;

14 (3) by striking subparagraph (L) and inserting
15 the following:

16 “(L) a summary of student outcomes for full-
17 time undergraduate students, including—

18 “(i) the completion or graduation rates of
19 certificate- or degree-seeking undergraduate
20 students entering such institutions; and

21 “(ii) any other student outcome data, qual-
22 itative or quantitative, including data regarding
23 distance education, deemed by the institution to
24 be appropriate to its stated educational mission
25 and goals, and, when applicable, licensing and

1 placement rates for professional and vocational
2 programs;”;

3 (4) by inserting before the semicolon at the end
4 of subparagraph (J) the following: “, and the proc-
5 ess for students to register complaints with the ac-
6 crediting agencies or associations”;

7 (5) in subparagraph (M), by striking “guaran-
8 teed student loans under part B of this title or di-
9 rect student loans under part E of this title, or
10 both,” and inserting “student loans under part B,
11 D, or E of this title”;

12 (6) by striking “and” at the end of subpara-
13 graph (N);

14 (7) by striking the period at the end of sub-
15 paragraph (O) and inserting a semicolon; and

16 (8) by adding at the end the following new sub-
17 paragraphs:

18 “(P) the penalties contained in subsection
19 484(r) regarding suspension of eligibility for drug
20 related offenses;

21 “(Q) the policies of the institution regarding
22 the acceptance or denial of academic credit earned
23 at another institution of higher education, which
24 shall include a statement that such decisions will not
25 be based solely on the source of accreditation of a

1 sending institution, provided that the sending insti-
2 tution is accredited by an agency or association that
3 is recognized by the Secretary pursuant to section
4 496 to be a reliable authority as to the quality of the
5 education or training offered, and except that noth-
6 ing in this subparagraph shall be construed to—

7 “(i) authorize an officer or employee of the
8 Department to exercise any direction, super-
9 vision, or control over the curriculum, program
10 of instruction, administration, or personnel of
11 any institution of higher education, or over any
12 accrediting agency or association;

13 “(ii) limit the application of the General
14 Education Provisions Act; or

15 “(iii) create any legally enforceable right;
16 and

17 “(R) policies and sanctions related to copyright
18 infringement, including—

19 “(i) information which explicitly informs
20 students that unauthorized distribution of copy-
21 righted material on the institution’s information
22 technology systems, including engaging in un-
23 authorized peer-to-peer file-sharing, may sub-
24 ject them to civil and criminal penalties;

1 “(ii) a summary of the penalties for viola-
2 tion of copyright law under the United States
3 Code;

4 “(iii) a description of the disciplinary ac-
5 tions which are taken against students who en-
6 gage in unauthorized distribution of copyrighted
7 material on the institution’s information tech-
8 nology systems; and

9 “(iv) notification that the institution may
10 use technological measures to detect, prevent,
11 and prohibit unauthorized distribution of copy-
12 righted material on its information technology
13 systems, including over local area networks of
14 such systems.”.

15 (b) ADDITIONAL AMENDMENTS.—Section 485(a) is
16 further amended by striking paragraph (6) and inserting
17 the following:

18 “(6) Each institution may provide supplemental in-
19 formation to enrolled and prospective students showing
20 the completion or graduation rate for students described
21 in paragraph (4). For the purpose of this paragraph, the
22 definitions provided in the Integrated Postsecondary Edu-
23 cation Data System shall apply.

24 “(7) Each eligible institution participating in any
25 program under this title may publicly report to currently

1 enrolled and prospective students the voluntary informa-
2 tion collected by the National Survey of Student Engage-
3 ment (NSSE), the Community College Survey of Student
4 Engagement (CCSSE), or other instruments that provide
5 evidence of student participation in educationally purpose-
6 ful activities. The information shall be produced and made
7 available in a uniform and comprehensible manner,
8 through appropriate publications, mailings, and electronic
9 media, and may be included in reports required by the
10 institution’s accrediting agency.”.

11 (c) EXIT COUNSELING.—Section 485(b) (20 U.S.C.
12 1092(b)) is amended by adding at the end the following
13 new paragraph:

14 “(3) Each eligible institution shall, during the exit
15 interview required by this subsection, provide to a bor-
16 rower of a loan made under part B, D, or E a clear and
17 conspicuous notice describing the effect of using a consoli-
18 dation loan to discharge the borrower’s student loans, in-
19 cluding—

20 “(A) the effects of consolidation on total inter-
21 est to be paid, fees to be paid, and length of repay-
22 ment;

23 “(B) the effects of consolidation on a bor-
24 rower’s underlying loan benefits, including loan for-
25 giveness, cancellation, and deferment;

1 “(C) the ability for the borrower to prepay the
2 loan, pay on a shorter schedule, and to change re-
3 payment plans, and that borrower benefit programs
4 may vary among different loan holders;

5 “(D) the tax benefits for which the borrower
6 may be eligible; and

7 “(E) the consequences of default.”.

8 (d) CAMPUS CRIME INFORMATION.—Section
9 485(f)(1) (20 U.S.C. 1092(f)(1)) is amended by inserting
10 “, other than a foreign institution of higher education,”
11 after “under this title”.

12 (e) DISCLOSURE OF FIRE SAFETY OF CAMPUS
13 BUILDINGS.—Section 485 (20 U.S.C. 1092) is further
14 amended—

15 (1) in subsection (a)(1), by adding after sub-
16 paragraph (Q) (as added by subsection (a)(8) of this
17 section) the following new subparagraph:

18 “(R) the fire safety report prepared by the in-
19 stitution pursuant to subsection (h).”; and

20 (2) by adding at the end the following new sub-
21 section:

22 “(h) DISCLOSURE OF FIRE SAFETY STANDARDS AND
23 MEASURES.—

24 “(1) ANNUAL FIRE SAFETY REPORTS RE-
25 QUIRED.—Each institution participating in any pro-

1 gram under this title shall, beginning in the first
2 academic year that begins after the date of enact-
3 ment of the College Access and Opportunity Act of
4 2007, and each year thereafter, prepare, publish,
5 and distribute, through appropriate publications (in-
6 cluding the Internet) or mailings, to all current stu-
7 dents and employees, and to any applicant for en-
8 rollment or employment upon request, an annual fire
9 safety report. Such reports shall contain at least the
10 following information with respect to the campus fire
11 safety practices and standards of that institution:

12 “(A) A statement that identifies each insti-
13 tution-owned or controlled student housing fa-
14 cility, and whether or not such facility is
15 equipped with a fire sprinkler system or other
16 fire safety system, or has fire escape planning
17 or protocols.

18 “(B) Statistics for each such facility con-
19 cerning the occurrence of fires and false alarms
20 in such facility during the 2 preceding calendar
21 years for which data are available.

22 “(C) For each such occurrence in each
23 such facility, a summary of the human injuries
24 or deaths, structural or property damage, or
25 combination thereof.

1 “(D) Information regarding rules on port-
2 able electrical appliances, smoking and open
3 flames (such as candles), regular mandatory su-
4 pervised fire drills, and planned and future im-
5 provements in fire safety.

6 “(E) Information about fire safety edu-
7 cation and training provided to students, fac-
8 ulty, and staff.

9 “(F) Information concerning fire safety at
10 any housing facility owned or controlled by a
11 fraternity, sorority, or student group that is
12 recognized by the institution, including—

13 “(i) information reported to the insti-
14 tution under paragraph (4); and

15 “(ii) a statement concerning whether
16 and how the institution works with recog-
17 nized student fraternities and sororities,
18 and other recognized student groups own-
19 ing or controlling housing facilities, to
20 make each building and property owned or
21 controlled by such fraternities, sororities,
22 and groups more fire safe.

23 “(2) FRATERNITIES, SORORITIES, AND OTHER
24 GROUPS.—Each institution participating in a pro-
25 gram under this title shall request each fraternity

1 and sorority that is recognized by the institution,
2 and any other student group that is recognized by
3 the institution and that owns or controls housing fa-
4 cilities, to collect and report to the institution the in-
5 formation described in subparagraphs (A) through
6 (E) of paragraph (1), as applied to the fraternity,
7 sorority, or recognized student group, respectively,
8 for each building and property owned or controlled
9 by the fraternity, sorority, or group, respectively.

10 “(3) CURRENT INFORMATION TO CAMPUS COM-
11 MUNITY.—Each institution participating in any pro-
12 gram under this title shall establish and maintain a
13 log, written in a form that can be easily understood,
14 recording all on-campus fires, including the nature,
15 date, time, and general location of each fire and all
16 false fire alarms. All entries that are required pursu-
17 ant to this paragraph shall, except where disclosure
18 of such information is prohibited by law, be open to
19 public inspection, and each such institution shall
20 make annual reports to the campus community on
21 such fires and false fire alarms in a manner that will
22 aid the prevention of similar occurrences.

23 “(4) REPORTS TO THE SECRETARY.—On an an-
24 nual basis, each institution participating in any pro-
25 gram under this title shall submit to the Secretary

1 a copy of the statistics required to be made available
2 under paragraph (1)(B). The Secretary shall—

3 “(A) review such statistics;

4 “(B) make copies of the statistics sub-
5 mitted to the Secretary available to the public;
6 and

7 “(C) in coordination with nationally recog-
8 nized fire organizations and representatives of
9 institutions of higher education, identify exem-
10 plary fire safety policies, procedures, and prac-
11 tices and disseminate information concerning
12 those policies, procedures, and practices that
13 have proven effective in the reduction of cam-
14 pus fires.

15 “(5) RULE OF CONSTRUCTION.—Nothing in
16 this subsection shall be construed to authorize the
17 Secretary to require particular policies, procedures,
18 or practices by institutions of higher education with
19 respect to fire safety.

20 “(6) DEFINITIONS.—In this subsection, the
21 term ‘campus’ has the meaning provided in sub-
22 section (f)(6).”.

23 (f) CAMPUS BASED DIGITAL THEFT PREVENTION.—

24 Section 485 (20 U.S.C. 1092) is further amended by add-
25 ing at the end the following new subsection:

1 “(i) CAMPUS BASED DIGITAL THEFT PREVEN-
2 TION.—

3 “(1) IN GENERAL.—Each eligible institution
4 participating in any program under this title which
5 is among those identified during the prior calendar
6 year by the Secretary pursuant to paragraph (2)(B),
7 shall—

8 “(A) provide evidence to the Secretary that
9 the institution has notified students on its poli-
10 cies and procedures related to the illegal
11 downloading and distribution of copyrighted
12 materials by students as required under sub-
13 section (a)(1)(R);

14 “(B) undertake a review, which shall be
15 submitted to the Secretary, of its procedures
16 and plans related to preventing illegal
17 downloading and distribution to determine the
18 program’s effectiveness and implement changes
19 to the program if the changes are needed; and

20 “(C) provide evidence to the Secretary that
21 the institution has developed a plan for imple-
22 menting a technology-based deterrent to pre-
23 vent the illegal downloading or peer-to-peer dis-
24 tribution of intellectual property.

1 “(2) IDENTIFICATION.—For purposes of car-
2 rying out the requirements of paragraph (1), the
3 Secretary shall, on an annual basis, identify—

4 “(A) the 25 institutions of higher edu-
5 cation participating in programs under this
6 title, which have received during the previous
7 calendar year the highest number of written no-
8 tices from copyright owners, or persons author-
9 ized to act on behalf of copyright owners, alleg-
10 ing infringement of copyright by users of the
11 institution’s information technology systems,
12 where such notices identify with specificity the
13 works alleged to be infringed, or a representa-
14 tive list of works alleged to be infringed, the
15 date and time of the alleged infringing conduct
16 together with information sufficient to identify
17 the infringing user, and information sufficient
18 to contact the copyright owner or its authorized
19 representative; and

20 “(B) from among those 25 institutions de-
21 scribed in paragraph (1), those which have re-
22 ceived during the previous calendar year at
23 least 100 notices alleging infringement of copy-
24 right by users of the institution’s information

1 technology systems, as described in paragraph
2 (1).”.

3 **SEC. 485. DISTANCE EDUCATION DEMONSTRATION PRO-**
4 **GRAM.**

5 (a) **ELIGIBLE APPLICANTS.**—Section 486(b)(3) (20
6 U.S.C. 1093(b)(3)) is amended—

7 (1) in subparagraph (B), by striking “section
8 102(a)(1)(C)” and inserting “section 102”; and

9 (2) in subparagraph (C), by striking “sub-
10 section (a) of section 102, other than the require-
11 ment of paragraph (3)(A) or (3)(B) of such sub-
12 section,” and inserting “section 101, other than the
13 requirements of subparagraph (A) or (B) of sub-
14 section (b)(4) of such section”.

15 (b) **SELECTION.**—Section 486(d)(1) (20 U.S.C.
16 1093(d)(1)) is amended—

17 (1) by striking “the third year” and inserting
18 “subsequent years”;

19 (2) by striking “35 institutions” and inserting
20 “100 institutions”; and

21 (3) by adding at the end the following new sen-
22 tence: “Not more than 5 of such institutions, sys-
23 tems, or consortia may be accredited, degree-grant-
24 ing correspondence schools.”.

1 **SEC. 486. COLLEGE AFFORDABILITY DEMONSTRATION PRO-**
2 **GRAM.**

3 Part G of title IV is amended by inserting after sec-
4 tion 486 (20 U.S.C. 1093) the following new section:

5 **“SEC. 486A. COLLEGE AFFORDABILITY DEMONSTRATION**
6 **PROGRAM.**

7 “(a) PURPOSE.—It is the purpose of this section—

8 “(1) to provide, through a college affordability
9 demonstration program, for increased innovation in
10 the delivery of higher education and student finan-
11 cial aid in a manner resulting in reduced costs for
12 students as well as the institution by employing one
13 or more strategies including accelerating degree or
14 program completion, increasing availability of, and
15 access to, distance components of education delivery,
16 engaging in collaborative arrangements with other
17 institutions and organizations, and other alternative
18 methodologies; and

19 “(2) to help determine—

20 “(A) the most effective means of delivering
21 student financial aid as well as quality edu-
22 cation;

23 “(B) the specific statutory and regulatory
24 requirements that should be altered to provide
25 for more efficient and effective delivery of stu-
26 dent financial aid, as well as access to high

1 quality distance education programs, resulting
2 in a student more efficiently completing post-
3 secondary education; and

4 “(C) the most effective methods of obtain-
5 ing and managing institutional resources.

6 “(b) DEMONSTRATION PROGRAM AUTHORIZED.—

7 “(1) IN GENERAL.—In accordance with the
8 purposes described in subsection (a) and the provi-
9 sions of subsection (d), the Secretary is authorized
10 to select not more than 100 institutions of higher
11 education, including those applying as part of sys-
12 tems or consortia of such institutions, for voluntary
13 participation in the College Affordability Demonstra-
14 tion Program in order to enable participating insti-
15 tutions to carry out such purposes by providing pro-
16 grams of postsecondary education, and making avail-
17 able student financial assistance under this title to
18 students enrolled in those programs, in a manner
19 that would not otherwise meet the requirements of
20 this title.

21 “(2) WAIVERS.—The Secretary is authorized to
22 waive for any institutions of higher education, or
23 any system or consortia of institutions of higher
24 education, selected for participation in the College
25 Affordability Demonstration Program, any require-

1 ments of this Act or the regulations thereunder as
2 deemed necessary by the Secretary to meet the pur-
3 pose described in subsection (a)(1), and shall make
4 a determination that the waiver can reasonably be
5 expected to result in reduced costs to students or in-
6 stitutions without an increase in Federal program
7 costs. The Secretary may not waive under this para-
8 graph the maximum award amounts for an academic
9 year or loan period.

10 “(3) ELIGIBLE APPLICANTS.—

11 “(A) ELIGIBLE INSTITUTIONS.—Except as
12 provided in subparagraph (B), only an institu-
13 tion of higher education that is eligible to par-
14 ticipate in programs under this title shall be eli-
15 gible to participate in the demonstration pro-
16 gram authorized under this section.

17 “(B) PROHIBITION.—An institution of
18 higher education described in section 102 shall
19 not be eligible to participate in the demonstra-
20 tion program authorized under this section.

21 “(c) APPLICATION.—

22 “(1) IN GENERAL.—Each institution or system
23 of institutions desiring to participate in the dem-
24 onstration program under this section shall submit

1 an application to the Secretary at such time and in
2 such manner as the Secretary may require.

3 “(2) CONTENTS OF APPLICATIONS.—Each ap-
4 plication for the college affordability demonstration
5 program shall include at least the following:

6 “(A) a description of the institution or sys-
7 tem or consortium of institutions and what
8 quality assurance mechanisms are in place to
9 ensure the integrity of the Federal financial aid
10 programs;

11 “(B) a description of the innovation or in-
12 novations being proposed and the affected pro-
13 grams and students, including—

14 “(i) a description of any collaborative
15 arrangements with other institutions or or-
16 ganizations to reduce costs;

17 “(ii) a description of any expected
18 economic impact of participation in the
19 program within the community in which
20 the institution is located; and

21 “(iii) a description of any means the
22 institution will employ to reduce the costs
23 of instructional materials, such as text-
24 books;

1 “(C) a description of each regulatory or
2 statutory requirement for which waivers are
3 sought, with a reason for each waiver;

4 “(D) a description of the expected out-
5 comes of the program changes proposed, includ-
6 ing the estimated reductions in costs both for
7 the institution and for students;

8 “(E) an assurance from each institution in
9 a system or consortium of a commitment to ful-
10 fill its role as described in the application;

11 “(F) an assurance that the participating
12 institution or system of institutions will offer
13 full cooperation with the ongoing evaluations of
14 the demonstration program provided for in this
15 section; and

16 “(G) any other information or assurances
17 the Secretary may require.

18 “(d) SELECTION.—In selecting institutions to partici-
19 pate in the demonstration program under this section, the
20 Secretary shall take into account—

21 “(1) the number and quality of applications re-
22 ceived, determined on the basis of the contents re-
23 quired by subsection (c)(2);

24 “(2) the Department’s capacity to oversee and
25 monitor each institution’s participation;

1 “(3) an institution’s—

2 “(A) financial responsibility;

3 “(B) administrative capability;

4 “(C) program or programs being offered
5 via distance education, if applicable;

6 “(D) student completion rates; and

7 “(E) student loan default rates; and

8 “(4) the participation of a diverse group of in-
9 stitutions with respect to size, mission, and geo-
10 graphic distribution.

11 “(e) NOTIFICATION.—The Secretary shall make
12 available to the public and to the authorizing committees
13 a list of institutions selected to participate in the dem-
14 onstration program authorized by this section. Such notice
15 shall include a listing of the specific statutory and regu-
16 latory requirements being waived for each institution and
17 a description of the innovations being demonstrated.

18 “(f) EVALUATIONS AND REPORTS.—

19 “(1) EVALUATION.—The Secretary shall evalu-
20 ate the demonstration program authorized under
21 this section on a biennial basis. Such evaluations
22 specifically shall review—

23 “(A) the extent to which expected out-
24 comes, including the estimated reductions in
25 cost, were achieved;

1 “(B) the number and types of students
2 participating in the programs offered, including
3 the progress of participating students toward
4 recognized certificates or degrees and the extent
5 to which participation in such programs in-
6 creased;

7 “(C) issues related to student financial as-
8 sistance associated with the innovations under-
9 taken;

10 “(D) effective technologies and alternative
11 methodologies for delivering student financial
12 assistance;

13 “(E) the extent of the cost savings to the
14 institution, the student, and the Federal Gov-
15 ernment resulting from the waivers provided,
16 and an estimate as to future cost savings for
17 the duration of the demonstration program;

18 “(F) the extent to which students saved
19 money by completing their postsecondary edu-
20 cation sooner;

21 “(G) the extent to which the institution re-
22 duced its tuition and fees and its costs by par-
23 ticipating in the demonstration program;

24 “(H) the extent to which any collaborative
25 arrangements with other institutions or organi-

1 zations have reduced the participating institu-
2 tion's costs; and

3 “(I) the extent to which statutory or regu-
4 latory requirements not waived under the dem-
5 onstration program present difficulties for stu-
6 dents or institutions.

7 “(2) POLICY ANALYSIS.—The Secretary shall
8 review current policies and identify those policies
9 that present impediments to the implementation of
10 innovations that result in cost savings and in ex-
11 panding access to education.

12 “(3) REPORTS.—The Secretary shall provide a
13 report to the authorizing committees on a biennial
14 basis regarding—

15 “(A) the demonstration program author-
16 ized under this section;

17 “(B) the results of the evaluations con-
18 ducted under paragraph (1);

19 “(C) the cost savings to the Federal Gov-
20 ernment by the demonstration program author-
21 ized by this section; and

22 “(D) recommendations for changes to in-
23 crease the efficiency and effective delivery of fi-
24 nancial aid.

1 “(g) OVERSIGHT.—In conducting the demonstration
2 program authorized under this section, the Secretary
3 shall, on a continuing basis—

4 “(1) ensure compliance of institutions or sys-
5 tems of institutions with the requirements of this
6 title (other than the sections and regulations that
7 are waived under subsection (b)(2));

8 “(2) provide technical assistance to institutions
9 in their application to and participation in the dem-
10 onstration program;

11 “(3) monitor fluctuations in the student popu-
12 lation enrolled in the participating institutions or
13 systems of institutions;

14 “(4) monitor changes in financial assistance
15 provided at the institution; and

16 “(5) consult with appropriate accrediting agen-
17 cies or associations and appropriate State regulatory
18 authorities.

19 “(h) TERMINATION OF AUTHORITY.—The authority
20 of the Secretary under this section shall cease to be effec-
21 tive on October 1, 2012.”.

22 **SEC. 487. PROGRAM PARTICIPATION AGREEMENTS.**

23 (a) REFUND POLICIES.—Section 487(a) (20 U.S.C.
24 1094(a)) is amended—

1 (1) in paragraph (16), by inserting “or other
2 Federal, State, or local government funds” after
3 “funds under this title” each place it appears;

4 (2) in paragraph (22), by striking “refund pol-
5 icy” and inserting “policy on the return of title IV
6 funds”; and

7 (3) in paragraph (23)—

8 (A) by moving subparagraph (C) 2 em
9 spaces to the left; and

10 (B) by adding after such subparagraph the
11 following new subparagraph:

12 “(D) An institution shall be considered in com-
13 pliance with the requirements of subparagraph (A)
14 with respect to any student to whom the institution
15 electronically transmits a message containing a voter
16 registration form acceptable for use in the State in
17 which the institution is located, or an Internet ad-
18 dress where such a form can be downloaded, pro-
19 vided such information is in an electronic message
20 devoted to voter registration.”.

21 (b) ENFORCING THE 90/10 RULE.—

22 (1) AMENDMENT.—Section 487(a) (20 U.S.C.
23 1094(a)) is further amended by adding at the end
24 the following new paragraph:

1 “(24) The institution will, as calculated in ac-
2 cordance with subsection (f)(1), have not less than
3 10 percent of its revenues from sources other than
4 funds provided under this title, or will be subject to
5 the sanctions described in subsection (f)(2).”.

6 (2) IMPLEMENTATION.—Section 487 is further
7 amended by adding at the end the following new
8 subsection:

9 “(f) IMPLEMENTATION OF NON-TITLE IV REVENUE
10 REQUIREMENT.—

11 “(1) CALCULATION.—In carrying out sub-
12 section (a)(24), an institution shall use the cash
13 basis of accounting and count the following funds to-
14 ward the 10 percent of revenues from sources of
15 funds other than funds provided under this title:

16 “(A) funds used by students to pay tuition,
17 fees, and other institutional charges from
18 sources other than funds provided under this
19 title as long as the institution can reasonably
20 demonstrate that such funds were used for such
21 purposes;

22 “(B) institutional funds used to satisfy
23 matching-fund requirements for programs
24 under this title;

1 “(C) funds used by a student from savings
2 plans for educational expenses established by or
3 on behalf of the student and which qualify for
4 special tax treatment under the Internal Rev-
5 enue Code of 1986;

6 “(D) funds paid by a student, or on behalf
7 of a student by a party other than the institu-
8 tion, for an education or training program that
9 is not eligible for funds under this title, so long
10 as the program is approved or licensed by the
11 appropriate State agency or an accrediting
12 agency recognized by the Secretary;

13 “(E) institutional aid, as follows:

14 “(i) in the case of institutional loans,
15 only the amount of loan repayments re-
16 ceived during the fiscal year;

17 “(ii) in the case of institutional schol-
18 arships, only those provided by the institu-
19 tion in the form of monetary aid based
20 upon the academic achievements or finan-
21 cial need of students, and disbursed during
22 the fiscal year from an established re-
23 stricted account; and

24 “(iii) in the case of tuition discounts,
25 only those tuition discounts based upon the

1 academic achievement or financial need of
2 the students; and

3 “(F) funds generated by the institution
4 from institutional activities that are necessary
5 for the education and training of the institu-
6 tion’s students, if such activities are—

7 “(i) conducted under the control of
8 the institution;

9 “(ii) performed under the supervision
10 of a member of the institution’s faculty;
11 and

12 “(iii) required to be performed by all
13 students in a specific educational program
14 at the institution.

15 “(2) SANCTIONS.—An institution that fails to
16 meet the requirements of subsection (a)(24) for 3
17 consecutive years shall become ineligible to partici-
18 pate in the programs authorized by this title. In ad-
19 dition to such other means of enforcing the require-
20 ments of this title as may be available to the Sec-
21 retary, if an institution fails to meet the require-
22 ments of subsection (a)(24) in any year, the Sec-
23 retary may impose one or more of the following
24 sanctions on the institution:

1 “(A) Place the institution on provisional
2 certification in accordance with section 498(h)
3 until the institution demonstrates, to the satis-
4 faction of the Secretary, that it is in compliance
5 with subsection (a)(24).

6 “(B) Require such other increased moni-
7 toring and reporting requirements as the Sec-
8 retary determines necessary until the institution
9 demonstrates, to the satisfaction of the Sec-
10 retary, that it is in compliance with subsection
11 (a)(24).

12 “(3) PUBLICATION ON COOL WEBSITE.—The
13 Secretary shall identify, on the College Opportunities
14 On-Line website established pursuant to section
15 131(b), any institution that fails to meet the re-
16 quirements of subsection (a)(24) in any year as an
17 institution that is failing to meet the minimum non-
18 Federal source of revenue requirements of that sub-
19 section.”.

20 (c) REPORTS ON DISCIPLINARY PROCEEDINGS.—

21 (1) AMENDMENT.—Section 487(a) (20 U.S.C.
22 1094(a)) is further amended by adding after para-
23 graph (24), as added by subsection (b) of this sec-
24 tion, the following new paragraph:

1 “(25) The institution will disclose to the alleged
2 victim of any crime of violence (as that term is de-
3 fined in section 16 of title 18), or a nonforcible sex
4 offense, the final results of any disciplinary pro-
5 ceeding conducted by such institution against a stu-
6 dent who is the alleged perpetrator of such crime or
7 offense with respect to such crime or offense. If the
8 alleged victim of such crime or offense is deceased,
9 the next of kin of such victim shall be treated as the
10 alleged victim for purposes of this paragraph.”.

11 (2) EFFECTIVE DATE.—The amendment made
12 by paragraph (1) shall apply with respect to any dis-
13 ciplinary proceeding conducted by such institution
14 on or after one year after the date of enactment of
15 this Act.

16 (d) CODE OF CONDUCT AND PREFERRED LENDER
17 LIST.—Section 487(a) is further amended by adding after
18 paragraph (25) (as added by subsection (c) of this section)
19 the following new paragraphs:

20 “(26) CODE OF CONDUCT.—

21 “(A) IN GENERAL.—The institution will
22 establish, follow, and enforce a code of conduct
23 regarding student loans that includes not less
24 than the following:

1 “(i) REVENUE SHARING PROHIBI-
2 TION.—The institution is prohibited from
3 receiving anything of value from any lender
4 in exchange for any advantage sought by
5 the lender to make educational loans to a
6 student enrolled, or who is expected to be
7 enrolled, at the institution, except that an
8 institution shall not be prohibited from re-
9 ceiving a philanthropic contribution from a
10 lender if the contribution is not made in
11 exchange for any such advantage.

12 “(ii) GIFT AND TRIP PROHIBITION.—
13 Any employee who is employed in the fi-
14 nancial aid office of the institution, or who
15 otherwise has responsibilities with respect
16 to educational loans or other financial aid
17 of the institution, is prohibited from taking
18 from any lender any gift or trip worth
19 more than nominal value, except for rea-
20 sonable expenses for professional develop-
21 ment that will improve the efficiency and
22 effectiveness of programs under this title
23 and for domestic travel to such profes-
24 sional development.

1 “(iii) CONTRACTING ARRANGE-
2 MENTS.—Any employee who is employed in
3 the financial aid office of the institution, or
4 who otherwise has responsibilities with re-
5 spect to educational loans or other finan-
6 cial aid of the institution, shall be prohib-
7 ited from entering into any type of con-
8 sulting arrangement or other contract to
9 provide services to a lender.

10 “(iv) ADVISORY BOARD COMPENSA-
11 TION.—Any employee who is employed in
12 the financial aid office of the institution, or
13 who otherwise has responsibilities with re-
14 spect to educational loans or other student
15 financial aid of the institution, and who
16 serves on an advisory board, commission,
17 or group established by a lender or group
18 of lenders shall be prohibited from receiv-
19 ing anything of value from the lender or
20 group of lenders, except that the employee
21 may be reimbursed for reasonable expenses
22 incurred in serving on such advisory board,
23 commission or group.

24 “(v) INTERACTION WITH BOR-
25 ROWERS.—The institution will not—

1 “(I) for any first-time borrower,
2 assign, through award packaging or
3 other methods, the borrower’s loan to
4 a particular lender; and

5 “(II) refuse to certify, or, delay
6 certification of, any loan in accord-
7 ance with paragraph (6) based on the
8 borrower’s selection of a particular
9 lender or guaranty agency.

10 “(B) DESIGNATION.—The institution will
11 designate an individual who shall be responsible
12 for signing an annual attestation on behalf of
13 the institution that the institution agrees to,
14 and is in compliance with, the requirements of
15 the code of conduct described in this paragraph.
16 Such individual shall be the chief executive offi-
17 cer, chief operating officer, chief financial offi-
18 cer, or comparable official, of the institution,
19 and shall annually submit the signed attestation
20 to the Secretary.

21 “(C) AVAILABILITY.—The institution will
22 make the code of conduct widely available to
23 the institution’s faculty members, students, and
24 parents through a variety of means, including
25 the institution’s website.

1 “(27) PREFERRED LENDER LISTS.—

2 “(A) IN GENERAL.—In the case of an in-
3 stitution (including an employee or agent of an
4 institution) that maintains a preferred lender
5 list, in print or any other medium, through
6 which the institution recommends one or more
7 specific lenders for loans made under part B to
8 the students attending the institution (or the
9 parents of such students), the institution will—

10 “(i) clearly and fully disclose on the
11 preferred lender list—

12 “(I) why the institution has in-
13 cluded each lender as a preferred
14 lender, especially with respect to
15 terms and conditions favorable to the
16 borrower; and

17 “(II) that the students attending
18 the institution (or the parents of such
19 students) do not have to borrow from
20 a lender on the preferred lender list;

21 “(ii) ensure, through the use of the
22 list provided by the Secretary under sub-
23 paragraph (C), that—

24 “(I) there are not less than 3
25 lenders named on the preferred lend-

1 ing list that are not affiliates of each
2 other; and

3 “(II) the preferred lender list—

4 “(aa) specifically indicates,
5 for each lender on the list,
6 whether the lender is or is not an
7 affiliate of each other lender on
8 the list; and

9 “(bb) if the lender is an af-
10 filiate of another lender on the
11 list, describes the specifics of
12 such affiliation; and

13 “(iii) establish a process to ensure
14 that lenders are placed upon the preferred
15 lender list on the basis of the benefits pro-
16 vided to borrowers, including —

17 “(I) highly competitive interest
18 rates, terms, or conditions for loans
19 made under part B;

20 “(II) high-quality customer serv-
21 ice for such loans; or

22 “(III) additional benefits beyond
23 the standard terms and conditions for
24 such loans.

1 “(B) DEFINITION OF AFFILIATE; CON-
2 TROL.—

3 “(i) DEFINITION OF AFFILIATE.—For
4 the purposes of subparagraph (A)(ii) the
5 term ‘affiliate’ means a person that con-
6 trols, is controlled by, or is under common
7 control with, another person.

8 “(ii) CONTROL.—For purposes of sub-
9 paragraph (A)(ii), a person has control
10 over another person if—

11 “(I) the person directly or indi-
12 rectly, or acting through 1 or more
13 others, owns, controls, or has the
14 power to vote 5 percent or more of
15 any class of voting securities of such
16 other person;

17 “(II) the person controls, in any
18 manner, the election of a majority of
19 the directors or trustees of such other
20 person; or

21 “(III) the Secretary determines
22 (after notice and opportunity for a
23 hearing) that the person directly or
24 indirectly exercises a controlling inter-

1 est over the management or policies of
2 such other person.

3 “(C) LIST OF LENDER AFFILIATES.—The
4 Secretary, in consultation with the Director of
5 the Federal Deposit Insurance Corporation,
6 shall maintain and update a list of lender affili-
7 ates of all eligible lenders, and shall provide
8 such list to the eligible institutions for use in
9 carrying out subparagraph (A).”.

10 (e) AUDIT REQUIREMENTS.—Section 487(c)(1)(A)(i)
11 (20 U.S.C. 1094(c)(1)(A)(i)) is amended by inserting be-
12 fore the semicolon at the end the following: “, except that
13 the Secretary may modify the requirements of this clause
14 with respect to institutions of higher education that are
15 foreign institutions, and may waive such requirements
16 with respect to a foreign institution whose students receive
17 less than \$500,000 in loans under this title during the
18 award year preceding the audit period”.

19 (f) ENFORCEMENT OF THE CODE OF CONDUCT.—
20 Section 487 (20 U.S.C. 1094) is further amended—

21 (1) by redesignating subsections (d) and (e) as
22 subsections (e) and (f), respectively; and

23 (2) by inserting after subsection (c) the fol-
24 lowing:

1 “(d) VIOLATION OF CODE OF CONDUCT REGARDING
2 STUDENT LOANS.—

3 “(1) IN GENERAL.—Upon a finding by the Sec-
4 retary, after reasonable notice and an opportunity
5 for a hearing, that an institution of higher education
6 that has entered into a program participation agree-
7 ment with the Secretary under subsection (a) will-
8 fully contravened the institution’s attestation of
9 compliance with the provisions of subsection (a)(26),
10 the Secretary may impose a penalty described in
11 paragraph (2).

12 “(2) PENALTIES.—A violation of paragraph (1)
13 shall result in the limitation, suspension, or termi-
14 nation of the eligibility of the institution for the loan
15 programs under this title.”.

16 **SEC. 488. ADDITIONAL TECHNICAL AND CONFORMING**
17 **AMENDMENTS.**

18 Part G is further amended as follows:

19 (1) Section 483(d) (20 U.S.C. 1090(d)) is
20 amended by striking “that is authorized under sec-
21 tion 685(d)(2)(C)” and inserting “, or another ap-
22 propriate provider of technical assistance and infor-
23 mation on postsecondary educational services, that is
24 supported under section 663”.

25 (2) Section 484 (20 U.S.C. 1091) is amended—

1 (A) in subsection (a)(4), by striking “cer-
2 tification,,” and inserting “certification,”; and

3 (B) in subsection (b)(2)—

4 (i) in the matter preceding subpara-
5 graph (A), by striking “section 428A” and
6 inserting “section 428H”;

7 (ii) in subparagraph (A), by inserting
8 “and” after the semicolon at the end
9 thereof;

10 (iii) in subparagraph (B), by striking
11 “; and” and inserting a period; and

12 (iv) by striking subparagraph (C).

13 (3) Section 484A(b)(2) (20 U.S.C.
14 1091a(b)(2)) is amended by striking “part B of this
15 title” and inserting “part B, D, or E of this title”.

16 (4) Section 485B(a) (20 U.S.C. 1092b(a)) is
17 amended—

18 (A) by redesignating paragraphs (6)
19 through (10) as paragraphs (7) through (11),
20 respectively;

21 (B) by redesignating the paragraph (5) (as
22 added by section 2008 of Public Law 101–239)
23 as paragraph (6); and

1 (C) in paragraph (5) (as added by section
2 204(3) of the National Community Service Act
3 of 1990 (Public Law 101–610))—

4 (i) by striking “(22 U.S.C. 2501 et
5 seq.),” and inserting “(22 U.S.C. 2501 et
6 seq.),”; and

7 (ii) by striking the period at the end
8 thereof and inserting a semicolon.

9 (5) Section 487A(b) (20 U.S.C. 1094a(b)) is
10 amended—

11 (A) in paragraph (1)—

12 (i) by striking “Higher Education
13 Amendments of 1998” and inserting “Col-
14 lege Access and Opportunity Act of 2007”;
15 and

16 (ii) by striking the second sentence;

17 (B) in paragraph (2)—

18 (i) by striking “1993 through 1998”
19 and inserting “1998 through 2006”;

20 (ii) by striking “(as such section” and
21 all that follows through “Amendments of
22 1998)”;

23 (iii) by striking “Higher Education
24 Amendments of 1998.” and inserting “Col-

1 lege Access and Opportunity Act of
2 2007.”; and

3 (C) in paragraph (3)(A)—

4 (i) by striking “Upon the submission”
5 and all that follows through “limited num-
6 ber of additional institutions for voluntary
7 participation” and inserting “The Sec-
8 retary is authorized to continue the vol-
9 untary participation of institutions partici-
10 pating as of July 1, 2007,”; and

11 (ii) by inserting before the period at
12 the end the following: “, and shall continue
13 the participation of any such institution
14 unless the Secretary determines that such
15 institution’s participation has not been
16 successful in carrying out the purposes of
17 this section”.

18 (6) Section 491(c) (20 U.S.C. 1098(c)) is
19 amended by adding at the end the following new
20 paragraph:

21 “(3) The appointment of members under subpara-
22 graphs (A) and (B) of paragraph (1) shall be effective
23 upon publication of the appointment in the Congressional
24 Record.”.

1 (7) Section 491(h)(1) (20 U.S.C. 1098(h)(1)) is
2 amended by striking “the rate authorized for GS–18
3 of the General Schedule” and inserting “the max-
4 imum rate payable under section 5376 of such title”.

5 (8) Section 491(k) (20 U.S.C. 1098(k)) is
6 amended by striking “2004” and inserting “2012”.

7 (9) Section 493A (20 U.S.C. 1098c) is re-
8 pealed.

9 (10) Section 498 (20 U.S.C. 1099e) is amend-
10 ed—

11 (A) in subsection (c)(2), by striking “for
12 profit,” and inserting “for-profit,”; and

13 (B) in subsection (d)(1)(B), by inserting
14 “and” after the semicolon at the end thereof.

15 **SEC. 489. PELL GRANT ELIGIBILITY PROVISION.**

16 Section 484 is amended by adding at the end the fol-
17 lowing new subsection:

18 “(s) PELL GRANT ELIGIBILITY PROVISION.—A stu-
19 dent who does not have a certificate of graduation from
20 a school providing secondary education may be eligible for
21 assistance under subpart 1 of Part A of this title for no
22 more than two academic years, if such student—

23 “(1) meets all eligibility requirements for such
24 assistance (other than not being enrolled in an ele-
25 mentary or secondary school) and is an academically

1 gifted and talented student, as defined in section
2 9101 of the Elementary and Secondary Education
3 Act;

4 “(2) is in the junior or senior year of secondary
5 school, and has not received any assistance under
6 this title;

7 “(3) is selected for participation and is enrolled
8 full-time and resides on campus in a residential col-
9 lege gifted student program for early enrollment,
10 leading to fully transferable college academic credit;

11 “(4) does not and will not participate in any
12 secondary school course work during or after such
13 program; and

14 “(5) has entered into an agreement that, if the
15 student fails to complete the entirety of the aca-
16 demic program for which assistance under subpart 1
17 of Part A of this title was received, or participates
18 in secondary school course work after participating
19 in such program, the student will repay all funds re-
20 ceived under such subpart pursuant to this sub-
21 section to the Federal Government in accordance
22 with regulations promulgated by the Secretary.”.

PART H—PROGRAM INTEGRITY**SEC. 495. ACCREDITATION.**

(a) STANDARDS FOR ACCREDITATION.—Section 496(a) (20 U.S.C. 1099b(a)) is amended—

(1) in paragraph (2), by striking subparagraph (B) and inserting the following:

“(B) is a State agency approved by the Secretary for the purpose described in subparagraph (A) and the State does not, for purposes of this title, directly or indirectly—

“(i) require any institution of higher education to obtain accreditation by such State agency, rather than another accrediting agency or association approved by the Secretary for the purpose described in subparagraph (A); or

“(ii) provide any exemption or other privilege or benefit to any institution of higher education by reason of its accreditation by such State agency rather than another accrediting agency or association approved by the Secretary for the purpose described in subparagraph (A); or”;

(2) in paragraph (4)—

(A) by inserting “(A)” after “(4)”;

1 (B) by inserting after “consistently applies
2 and enforces standards” the following: “that re-
3 spect the stated mission of the institution of
4 higher education, including religious missions,
5 and”;

6 (C) by inserting “and” after the semicolon
7 at the end thereof; and

8 (D) by adding at the end the following new
9 subparagraph:

10 “(B) if such agency or association already has
11 or seeks to include within its scope of recognition
12 the evaluation of the quality of institutions or pro-
13 grams offering distance education, such agency or
14 association shall, in addition to meeting the other re-
15 quirements of this subpart, demonstrate to the Sec-
16 retary that—

17 “(i) the accreditation agency’s or associa-
18 tion’s standards effectively address the quality
19 of an institution’s distance education programs
20 in the areas identified in paragraph (5) of this
21 subsection, except that the agency or associa-
22 tion shall not be required to have separate
23 standards, procedures, or policies for the eval-
24 uation of distance education institutions or pro-

1 grams in order to meet the requirements of this
2 subparagraph; and

3 “(ii) the agency or association requires
4 that an institution that offers distance edu-
5 cation programs to have processes by which it
6 establishes that the student who registers in a
7 distance education course or program is the
8 same student who participates, completes aca-
9 demic work, and receives academic credit;”;

10 (3) in paragraph (5)—

11 (A) by amending subparagraph (A) to read
12 as follows:

13 “(A) success with respect to student
14 achievement in relation to the institution’s mis-
15 sion, including, as appropriate, consideration of
16 student academic achievement as determined by
17 the institution (in accordance with standards of
18 the accrediting agency or association), reten-
19 tion, course and program completion, State li-
20 censing examinations, and job placement rates,
21 and other student performance information se-
22 lected by the institution, particularly that infor-
23 mation used by the institution to evaluate or
24 strengthen its programs;”;

1 (B) by amending subparagraph (E) to read
2 as follows:

3 “(E) fiscal, administrative capacity, as ap-
4 propriate to the specified scale of operations,
5 and, for an agency or association where its ap-
6 proval for such institution determines eligibility
7 for student assistance under this title, board
8 governance, within the context of the institu-
9 tion’s mission;”;

10 (4) by striking paragraph (6) and inserting the
11 following:

12 “(6) such an agency or association shall estab-
13 lish and apply review procedures throughout the ac-
14 crediting process, including evaluation and with-
15 drawal proceedings that comply with due process
16 that provides for—

17 “(A) adequate specification of require-
18 ments and deficiencies at the institution of
19 higher education or program being examined;

20 “(B) an opportunity for a written response
21 by any such institution to be included in the
22 evaluation and withdrawal proceedings;

23 “(C) upon the written request of an insti-
24 tution, an opportunity for the institution to ap-
25 peal any adverse action at a hearing prior to

1 such action becoming final before an appeals
2 panel that—

3 “(i) shall not include current members
4 of the agency or association’s underlying
5 decision-making body that made the ad-
6 verse decision; and

7 “(ii) is subject to a conflict of interest
8 of policy; and

9 “(D) the right to representation by counsel
10 for an such institution;”; and

11 (5) by striking paragraph (8) and inserting the
12 following:

13 “(8) such agency or association shall make
14 available to the public and submit to the Secretary
15 and the State licensing or authorizing agency, to-
16 gether with the comments of the affected institution,
17 a summary of agency or association actions, involv-
18 ing—

19 “(A) final denial, withdrawal, suspension,
20 or termination of accreditation; and

21 “(B) any other final adverse action taken
22 with respect to an institution.”.

23 (b) OPERATING PROCEDURES.—Section 496(c) (20
24 U.S.C. 1099b(c)) is amended—

1 (1) by inserting “(including those regarding dis-
2 tance education)” before the semicolon at the end of
3 paragraph (1);

4 (2) by striking “and” at the end of paragraph
5 (5);

6 (3) by striking the period at the end of para-
7 graph (6) and inserting a semicolon; and

8 (4) by inserting after paragraph (6) the fol-
9 lowing new paragraphs:

10 “(7) ensures that its onsite comprehensive re-
11 views for accreditation or reaccreditation include
12 evaluation of the substance of the information re-
13 quired in subparagraph (L) of section 485(a)(1);

14 “(8) confirms as a part of its review for accred-
15 itation or reaccreditation that the institution has
16 transfer policies that are publicly disclosed and spe-
17 cifically state whether the institution denies a trans-
18 fer of credit based solely on the accreditation of the
19 institution at which the credit was earned;

20 “(9) develops a brief summary, available to the
21 public, of final adverse actions in accordance with
22 the requirements of subsection (a)(8);

23 “(10) monitors the enrollment growth of dis-
24 tance education to ensure that an institution experi-

1 encing significant growth has the capacity to serve
2 its students effectively;

3 “(11) discloses publicly, on the agency’s website
4 or through other similar dissemination—

5 “(A) a list of the individuals who com-
6 prised the evaluation teams during the prior
7 calendar year for each agency or association
8 and the title and institutional affiliation of such
9 individuals, although such list shall not be re-
10 quired to identify those individuals who com-
11 prised the evaluation team used for any specific
12 institution;

13 “(B) a description of the agency’s or asso-
14 ciation’s process for selecting, preparing, and
15 evaluating such individuals; and

16 “(C) any statements related to the accredi-
17 tation responsibilities of such individuals; and

18 “(12) reviews the record of student complaints
19 resulting from the student information process de-
20 scribed in section 485(a)(1)(J).”.

21 (c) LIMITATION, SUSPENSION, AND TERMINATION OF
22 RECOGNITION.—Section 496(l) is amended by adding at
23 the end the following new paragraph:

24 “(3) The Secretary shall provide an annual report to
25 Congress on the status of any agency or association for

1 which the Secretary has limited, suspended or terminated
2 recognition under this subsection.”.

3 (d) PROGRAM REVIEW AND DATA.—Section 498A(b)
4 (20 U.S.C. 1099c–1(b)) is amended—

5 (1) by striking “and” at the end of paragraph
6 (4);

7 (2) by striking the period at the end of para-
8 graph (5) and inserting a semicolon; and

9 (3) by adding at the end the following new
10 paragraphs:

11 “(6) provide to the institution adequate oppor-
12 tunity to review and respond to any program review
13 report or audit finding and underlying materials re-
14 lated thereto before any final program review or
15 audit determination is reached;

16 “(7) review and take into consideration the in-
17 stitution’s response in any final program review or
18 audit determination, and include in the final deter-
19 mination—

20 “(A) a written statement addressing the
21 institution’s response and stating the basis for
22 such final determination; and

23 “(B) a copy of the institution’s statement
24 in response, appropriately redacted to protect
25 confidential information;

1 “(8) maintain and preserve at all times the con-
2 fidentiality of any program review report or audit
3 finding until the requirements of paragraphs (6) and
4 (7) are met, and until a final program review or
5 audit determination has been issued, except to the
6 extent required to comply with paragraph (5), pro-
7 vided, however, that the Secretary shall promptly
8 disclose any and all program review reports and
9 audit findings to the institution under review; and

10 “(9) require that the authority to approve or
11 issue any program review report or audit finding,
12 preliminary or otherwise, that contains any finding,
13 determination, or proposed assessment that exceeds
14 or may exceed \$500,000 in liabilities shall not be
15 delegated to any official beyond the Chief Operating
16 Officer of Federal Student Aid.”.

17 **SEC. 496. REPORT TO CONGRESS ON PREVENTION OF**
18 **FRAUD AND ABUSE IN STUDENT FINANCIAL**
19 **AID PROGRAMS.**

20 Title IV is amended by adding at the end the fol-
21 lowing new section:

1 **“SEC. 499. REPORT TO CONGRESS ON PREVENTION OF**
2 **FRAUD AND ABUSE IN STUDENT FINANCIAL**
3 **AID PROGRAMS.**

4 “(a) **PURPOSE.**—It is the purpose of this section to
5 require the Secretary to commission a nonpartisan, com-
6 prehensive study on the prevention of fraud and abuse in
7 title IV student financial aid programs, and to report the
8 results of such study to Congress.

9 “(b) **SCOPE OF REPORT.**—The study under this sec-
10 tion shall thoroughly identify and address the following:

11 “(1) The impact of fraud and abuse in title IV
12 student financial aid programs upon students and
13 taxpayers, and the nature of such fraud and abuse.

14 “(2) The effectiveness of existing policies and
15 requirements under this Act that were put in place
16 to prevent fraud and abuse in title IV student finan-
17 cial aid programs, and how such policies and re-
18 quirements should be improved.

19 “(3) The extent to which existing protections
20 against fraud and abuse under this Act are ade-
21 quately enforced, and how enforcement should be
22 strengthened.

23 “(4) Areas in which additional information is
24 needed to assess the effectiveness of current protec-
25 tions and enforcement against fraud and abuse.

1 “(5) Existing policies and requirements under
2 this Act aimed at fraud and abuse that are ineffec-
3 tive, hinder innovation, or could be eliminated with-
4 out reducing effectiveness.

5 “(6) New policies and enforcement, particularly
6 those suited for the current higher education mar-
7 ketplace, needed to protect against fraud and abuse
8 in title IV student financial aid programs.

9 “(7) The extent to which States are imple-
10 menting regulations to protect students from fraud
11 and abuse, and whether changes to Federal law will
12 preempt such regulations.

13 “(c) REPORT.—Not later than December 31, 2007,
14 the Secretary, after an opportunity for both the Secretary
15 and the Inspector General of the Department of Edu-
16 cation to review the results of the study, shall transmit
17 to Congress a report on the study conducted under this
18 section. Such report shall—

19 “(1) include clear and specific recommendations
20 for legislative and regulatory actions that are likely
21 to significantly reduce the fraud and abuse in title
22 IV student financial aid programs that were identi-
23 fied pursuant to subsection (b); and

24 “(2) include both the Secretary’s and the In-
25 spector General’s comments on the report.”.

1 **SEC. 497. REPORT TO CONGRESS ON COMPLIANCE WITH**
2 **THE PAPERWORK REDUCTION ACT OF 1995.**

3 Title IV is further amended by adding after section
4 499, as added by section 496 of this Act, the following
5 new section:

6 **“SEC. 499A. REPORT TO CONGRESS ON THE COMPLIANCE**
7 **OF THE STUDENT AID APPLICATION PROC-**
8 **ESS WITH THE REQUIREMENTS OF THE PA-**
9 **PERWORK REDUCTION ACT OF 1995.**

10 “(a) **STUDY AND REPORT.**—The Secretary shall com-
11 mission a nonpartisan, comprehensive study on the degree
12 to which the student aid application process under title
13 IV complies with the requirements of the Paperwork Re-
14 duction Act of 1995 (44 U.S.C. 101 note). Not later one
15 year after the date of the enactment of the College Access
16 and Opportunity Act of 2006, the Secretary shall report
17 the results of such study to the Congress.

18 “(b) **SCOPE.**—The study and report to the Congress
19 under subsection (a) shall thoroughly identify and address
20 the following:

21 “(1) The impact of the technical and computer
22 literacy of prospective college students on the exist-
23 ing electronic capabilities offered by the student aid
24 application process under title IV, including the Free
25 Application for Federal Student Aid System
26 (FAFSA).

1 “(2) The effectiveness of the policies and re-
2 quirements of the FAFSA system that are intended
3 to reduce the need for paper and ease the applica-
4 tion process.

5 “(3) Areas in which the electronic system can
6 be improved to help facilitate a ‘one-stop shopping’
7 goal for students seeking financial assistance.”.

8 **TITLE V—DEVELOPING** 9 **INSTITUTIONS**

10 **SEC. 501. DEFINITIONAL CHANGES.**

11 Section 502(a) (20 U.S.C. 1101a(a)) is amended—

12 (1) in paragraph (5)—

13 (A) by inserting “and” after the semicolon
14 at the end of subparagraph (A);

15 (B) in subparagraph (B)—

16 (i) by striking “at the time of applica-
17 tion,”; and

18 (ii) by inserting “at the end of the
19 award year immediately preceding the date
20 of application” after “Hispanic students”;

21 (C) by striking “; and” at the end of sub-
22 paragraph (B) and inserting a period; and

23 (D) by striking subparagraph (C); and

24 (2) by striking paragraph (7).

1 **SEC. 502. ASSURANCE OF ENROLLMENT OF NEEDY STU-**
2 **DENTS.**

3 Section 511(c) (20 U.S.C. 1103(c)) is amended—

4 (1) by striking paragraph (2);

5 (2) by redesignating paragraphs (3) through
6 (7) as paragraphs (2) through (6); and

7 (3) by inserting after paragraph (6) as so re-
8 designated the following new paragraph:

9 “(7) contain such assurances as the Secretary
10 may require that the institution has an enrollment
11 of needy students as required by section 502(b);”.

12 **SEC. 503. ADDITIONAL AMENDMENTS.**

13 Title V is further amended—

14 (1) in section 502(a)(2)(A) (20 U.S.C.
15 1101a(a)(2)(A)), by redesignating clauses (v) and
16 (vi) as clauses (vi) and (vii), respectively, and insert-
17 ing after clause (iv) the following new clause:

18 “(v) which provides a program of not
19 less than 2 years that is acceptable for full
20 credit toward a bachelor’s degree;”;

21 (2) in section 503(b) (20 U.S.C. 1101b(b))—

22 (A) by amending paragraph (2) to read as
23 follows:

24 “(2) Construction, maintenance, renovation,
25 and improvement in classrooms, libraries, labora-
26 tories, and other instructional facilities, including

1 purchase or rental of telecommunications technology
2 equipment or services, and the acquisition of real
3 property adjacent to the campus of the institution
4 on which to construct such facilities.”;

5 (B) by amending paragraph (12) to read

6 as follows:

7 “(12) Establishing community outreach pro-
8 grams and collaborative partnerships between His-
9 panic-serving institutions and local elementary or
10 secondary schools. Such partnerships may include
11 mentoring, tutoring, or other instructional opportu-
12 nities that will boost student academic achievement
13 and assist elementary and secondary school students
14 in developing the academic skills and the interest to
15 pursue postsecondary education.”;

16 (C) by redesignating paragraphs (5)

17 through (14) as paragraphs (6) through (15),
18 respectively; and

19 (D) by inserting after paragraph (4) the

20 following:

21 “(5) Education or counseling services designed
22 to improve the financial literacy and economic lit-
23 eracy of students and, as appropriate, their par-
24 ents.”;

25 (3) in section 504(a) (20 U.S.C. 1101c(a))—

1 (A) by striking the following:

2 “(a) AWARD PERIOD.—

3 “(1) IN GENERAL.—The Secretary” and insert-
4 ing the following:

5 “(a) AWARD PERIOD.—The Secretary”; and

6 (B) by striking paragraph (2); and

7 (4) in section 514(c) (20 U.S.C. 1103c(c)), by
8 striking “section 505” and inserting “section 504”.

9 **SEC. 504. POSTBACCALAUREATE OPPORTUNITIES FOR HIS-**
10 **PANIC AMERICANS.**

11 (a) ESTABLISHMENT OF PROGRAM.—Title V is
12 amended—

13 (1) by redesignating part B as part C;

14 (2) by redesignating sections 511 through 518
15 as sections 521 through 528, respectively; and

16 (3) by inserting after section 505 (20 U.S.C.
17 1101d) the following new part:

18 **“PART B—PROMOTING POSTBACCALAUREATE**
19 **OPPORTUNITIES FOR HISPANIC AMERICANS**

20 **“SEC. 511. PURPOSES.**

21 “The purposes of this part are—

22 “(1) to expand postbaccalaureate educational
23 opportunities for, and improve the academic attain-
24 ment of, Hispanic students; and

1 “(2) to expand the postbaccalaureate academic
2 offerings and enhance the program quality in the in-
3 stitutions that are educating the majority of His-
4 panic college students and helping large numbers of
5 Hispanic and low-income students complete postsec-
6 ondary degrees.

7 **“SEC. 512. PROGRAM AUTHORITY AND ELIGIBILITY.**

8 “(a) PROGRAM AUTHORIZED.—Subject to the avail-
9 ability of funds appropriated to carry out this part, the
10 Secretary shall award competitive grants to Hispanic-serv-
11 ing institutions determined by the Secretary to be making
12 substantive contributions to graduate educational opportu-
13 nities for Hispanic students.

14 “(b) ELIGIBILITY.—For the purposes of this part, an
15 ‘eligible institution’ means an institution of higher edu-
16 cation that—

17 “(1) is an eligible institution under section
18 502(a)(2); and

19 “(2) offers a postbaccalaureate certificate or de-
20 gree granting program.

21 **“SEC. 513. AUTHORIZED ACTIVITIES.**

22 “Grants awarded under this part shall be used for
23 one or more of the following activities:

1 “(1) Purchase, rental, or lease of scientific or
2 laboratory equipment for educational purposes, in-
3 cluding instructional and research purposes.

4 “(2) Construction, maintenance, renovation,
5 and improvement of classrooms, libraries, labora-
6 tories, and other instructional facilities, including
7 purchase or rental of telecommunications technology
8 equipment or services.

9 “(3) Purchase of library books, periodicals,
10 technical and other scientific journals, microfilm,
11 microfiche, and other educational materials, includ-
12 ing telecommunications program materials.

13 “(4) Support for needy postbaccalaureate stu-
14 dents including outreach, academic support services,
15 mentoring, scholarships, fellowships, and other fi-
16 nancial assistance to permit the enrollment of such
17 students in postbaccalaureate certificate and degree
18 granting programs.

19 “(5) Support of faculty exchanges, faculty de-
20 velopment, faculty research, curriculum development,
21 and academic instruction.

22 “(6) Creating or improving facilities for Inter-
23 net or other distance learning academic instruction
24 capabilities, including purchase or rental of tele-
25 communications technology equipment or services.

1 “(7) Collaboration with other institutions of
2 higher education to expand postbaccalaureate certifi-
3 cate and degree offerings.

4 “(8) Other activities proposed in the application
5 submitted pursuant to section 514 that—

6 “(A) contribute to carrying out the pur-
7 poses of this part; and

8 “(B) are approved by the Secretary as part
9 of the review and acceptance of such applica-
10 tion.

11 **“SEC. 514. APPLICATION AND DURATION.**

12 “(a) APPLICATION.—Any eligible institution may
13 apply for a grant under this part by submitting an applica-
14 tion to the Secretary at such time and in such manner
15 as determined by the Secretary. Such application shall
16 demonstrate how the grant funds will be used to improve
17 postbaccalaureate education opportunities in programs
18 and professions in which Hispanic Americans are under-
19 represented.

20 “(b) DURATION.—Grants under this part shall be
21 awarded for a period not to exceed 5 years.

22 “(c) LIMITATION.—The Secretary shall not award
23 more than one grant under this part in any fiscal year
24 to any Hispanic-serving institution.”.

1 (b) COOPERATIVE ARRANGEMENTS.—Section 524(a)
 2 (as redesignated by subsection (a)(2)) (20 U.S.C.
 3 1103c(a)) is amended by inserting “and section 513” after
 4 “section 503”.

5 **SEC. 505. AUTHORIZATION OF APPROPRIATIONS.**

6 Subsection (a) of section 528 (as redesignated by sec-
 7 tion 504(a)(2) of this Act) (20 U.S.C. 1103g) is amended
 8 to read as follows:

9 “(a) AUTHORIZATIONS.—

10 “(1) PART A.—There are authorized to be ap-
 11 propriated to carry out part A and part C of this
 12 title \$96,000,000 for fiscal year 2008 and such
 13 sums as may be necessary for each of the 5 suc-
 14 ceeding fiscal years.

15 “(2) PART B.—There are authorized to be ap-
 16 propriated to carry out part B of this title
 17 \$59,000,000 for fiscal year 2008 and such sums as
 18 may be necessary for each of the 5 succeeding fiscal
 19 years.”.

20 **TITLE VI—TITLE VI**
 21 **AMENDMENTS**

22 **SEC. 601. INTERNATIONAL AND FOREIGN LANGUAGE STUD-**
 23 **IES.**

24 (a) FINDINGS AND PURPOSES.—Section 601 (20
 25 U.S.C. 1121) is amended—

1 (1) in subsection (a)—

2 (A) by striking “post-Cold War” in para-
3 graph (3);

4 (B) by redesignating paragraphs (4) and
5 (5) as paragraphs (5) and (6), respectively;

6 (C) by inserting after paragraph (3) the
7 following new paragraph:

8 “(4) The events and aftermath of September
9 11, 2001, have underscored the need for the Nation
10 to strengthen and enhance American knowledge of
11 international relations, world regions, and foreign
12 languages. Homeland security and effective United
13 States engagement abroad depend upon an increased
14 number of Americans who have received such train-
15 ing and are willing to serve their Nation.”; and

16 (D) by inserting after paragraph (6) the
17 following new paragraphs:

18 “(7) It is crucial that we expand the number of
19 individuals in the United States mastering languages
20 such as Arabic, Chinese, Russian, Hindi and Farsi,
21 and the number of advanced-level speakers of those
22 languages.

23 “(8) The weaknesses in teaching and learning
24 foreign languages can be addressed by starting lan-
25 guage learning at a younger age and expanding op-

1 opportunities for foreign language education through-
2 out formal schooling, including the postsecondary
3 level.”;

4 (2) in subsection (b)(1)—

5 (A) by striking “; and” at the end of sub-
6 paragraph (D) and inserting “, including
7 through linkages overseas with institutions of
8 higher education and relevant organizations
9 that contribute to the educational programs as-
10 sisted under this part;”;

11 (B) by inserting “and” after the semicolon
12 at the end of subparagraph (E);

13 (C) by inserting after such subparagraph
14 (E) the following new subparagraph:

15 “(F) to assist the national effort to educate and
16 train citizens to participate in the efforts of home-
17 land security;”;

18 (3) in subsection (b)(2) strike “and” at the
19 end;

20 (4) in subsection (b)(3)—

21 (A) by inserting “reinforce and” before
22 “coordinate”;

23 (B) by inserting “, and international busi-
24 ness and trade competitiveness” before the pe-
25 riod; and

1 (C) by striking the period at the end and
2 inserting “and”; and

3 (5) by adding at the end the following:

4 “(4) to significantly increase the opportunities
5 to study, and the number of students in the United
6 States who achieve the highest level of proficiency
7 in, foreign languages critical to the security and
8 competitiveness of the Nation.”.

9 (b) GRADUATE AND UNDERGRADUATE LANGUAGE
10 AND AREA CENTERS AND PROGRAMS.—Section 602(a)
11 (20 U.S.C. 1122(a)) is amended—

12 (1) in paragraph (1), by striking subparagraph
13 (A) and inserting the following:

14 “(A) IN GENERAL.—The Secretary is au-
15 thorized to make grants to institutions of high-
16 er education or consortia of such institutions
17 for the purpose of establishing, strengthening,
18 and operating—

19 “(i) comprehensive foreign language
20 and area or international studies centers
21 and programs; and

22 “(ii) a diverse network of under-
23 graduate foreign language and area or
24 international studies centers and pro-
25 grams.”;

1 (2) in paragraph (2)—

2 (A) by striking “and” at the end of sub-
3 paragraph (G);

4 (B) by striking the period at the end of
5 subparagraph (H) and inserting a semicolon;
6 and

7 (C) by inserting after subparagraph (H)
8 the following new subparagraphs:

9 “(I) supporting instructors of the less com-
10 monly taught languages;

11 “(J) widely disseminating materials devel-
12 oped by the center or program to local edu-
13 cational agencies and public and private ele-
14 mentary and secondary education schools, and
15 institutions of higher education, presented from
16 diverse perspectives and reflective of a wide
17 range of views on the subject matter, except
18 that no more than 50 percent of funds awarded
19 to an institution of higher education or con-
20 sortia of such institutions for purposes under
21 this title may be associated with the costs of
22 dissemination; and

23 “(K) projects that support in students an
24 understanding of science and technology in co-

1 ordination with foreign language proficiency.”;

2 and

3 (3) in paragraph (4)—

4 (A) by amending subparagraph (B) to read
5 as follows:

6 “(B) Partnerships or programs of linkage
7 and outreach with 2-year and 4-year colleges
8 and universities, including colleges of education
9 and teacher professional development pro-
10 grams.”;

11 (B) in subparagraph (C), by striking “Pro-
12 grams of linkage or outreach” and inserting
13 “Partnerships or programs of linkage and out-
14 reach”;

15 (C) in subparagraph (E)—

16 (i) by striking “foreign area” and in-
17 serting “area studies”;

18 (ii) by striking “of linkage and out-
19 reach”; and

20 (iii) by striking “(C), and (D)” and
21 inserting “(D), and (E)”;

22 (D) by redesignating subparagraphs (C),
23 (D), and (E) as subparagraphs (D), (E), and
24 (F), respectively; and

1 (E) by inserting after subparagraph (B)
2 the following new subparagraph:

3 “(C) Partnerships with local educational
4 agencies and public and private elementary and
5 secondary education schools that are designed
6 to increase student academic achievement in
7 foreign language and knowledge of world re-
8 gions, and to facilitate the wide dissemination
9 of materials related to area studies, foreign lan-
10 guages, and international studies that are re-
11 flective of a wide range of views on the subject
12 matter.”.

13 (c) LANGUAGE RESOURCE CENTERS.—Section
14 603(e) (20 U.S.C. 1123(e)) is amended by inserting “re-
15 flect the purposes of this part and” after “shall”.

16 (d) UNDERGRADUATE INTERNATIONAL STUDIES AND
17 FOREIGN LANGUAGE PROGRAMS.—Section 604 (20
18 U.S.C. 1124) is amended—

19 (1) in subsection (a)(1), by striking “combina-
20 tions” each place it appears and inserting “con-
21 sortia”;

22 (2) in subsection (a)(2)—

23 (A) in subparagraph (B)(ii), by striking
24 “teacher training” and inserting “teacher pro-
25 fessional development”;

1 (B) by redesignating subparagraphs (I)
2 through (M) as subparagraphs (J) through (N),
3 respectively;

4 (C) by inserting after subparagraph (H)
5 the following new subparagraph:

6 “(I) the provision of grants for educational
7 programs abroad that are closely linked to the
8 program’s overall goals and have the purpose of
9 promoting foreign language fluency and knowl-
10 edge of world regions, except that not more
11 than 10 percent of a grant recipient’s funds
12 may be used for this purpose;”; and

13 (D) in subparagraph (M)(ii) (as redesign-
14 ated by subparagraph (B) of this paragraph),
15 by striking “elementary and secondary edu-
16 cation institutions” and inserting “local edu-
17 cational agencies and public and private ele-
18 mentary and secondary education schools”;

19 (3) in subsection (a)(4)(B), by inserting “that
20 demonstrates a need for a waiver or reduction” be-
21 fore the period at the end;

22 (4) in subsection (a)(6), by inserting “reflect
23 the purposes of this part and” after “shall”;

24 (5) in subsection (a)(8), by striking “may” and
25 inserting “shall”; and

1 (6) by striking subsection (c).

2 (e) RESEARCH; STUDIES; ANNUAL REPORT.—Sec-
3 tion 605(a) (20 U.S.C. 1125(a)) is amended by inserting
4 before the period at the end of the first sentence the fol-
5 lowing: “, including the systematic collection, analysis, and
6 dissemination of data”.

7 (f) TECHNOLOGICAL INNOVATION AND COOPERATION
8 FOR FOREIGN INFORMATION ACCESS.—Section 606 (20
9 U.S.C. 1126) is amended—

10 (1) in subsection (a)—

11 (A) by striking “or consortia of such insti-
12 tutions or libraries” and inserting “museums,
13 or consortia of such entities”;

14 (B) by striking “new”; and

15 (C) by inserting “from foreign sources”
16 after “disseminate information”;

17 (2) in subsection (b)—

18 (A) by inserting “acquire and” before “fa-
19 cilitate access” in paragraph (1);

20 (B) by striking “new means of” in para-
21 graph (3) and inserting “new means and stand-
22 ards for”;

23 (C) by striking “and” at the end of para-
24 graph (6);

1 (D) by striking the period at the end of
2 paragraph (7) and by inserting a semicolon;
3 and

4 (E) by inserting after paragraph (7) the
5 following new paragraphs:

6 “(8) to establish linkages between grant recipi-
7 ents under subsection (a) with libraries, museums,
8 organizations, or institutions of higher education lo-
9 cated overseas to facilitate carrying out the purposes
10 of this section; and

11 “(9) to carry out other activities deemed by the
12 Secretary to be consistent with the purposes of this
13 section.”; and

14 (3) by adding at the end the following new sub-
15 section:

16 “(e) SPECIAL RULE.—The Secretary may waive or
17 reduce the required non-Federal share for institutions
18 that—

19 “(1) are eligible to receive assistance under part
20 A or B of title III or under title V; and

21 “(2) have submitted a grant application under
22 this section that demonstrates a need for a waiver
23 or reduction.”.

1 (g) INTERNATIONAL AND FOREIGN LANGUAGE
2 STUDIES.—Part A of title VI (20 U.S.C. 1121 et seq.)
3 is amended—

4 (1) by redesignating sections 607 through 614
5 as sections 608 through 615, respectively; and

6 (2) by inserting after section 606 the following:

7 **“SEC. 607. ADVANCING AMERICA THROUGH FOREIGN LAN-**
8 **GUAGE PARTNERSHIPS.**

9 “(a) PROGRAM AUTHORIZED.—

10 “(1) IN GENERAL.—The Secretary is authorized
11 to award grants to institutions of higher education,
12 in partnership with one or more local educational
13 agencies, to establish articulated programs of study
14 in critical-need foreign languages that will enable
15 successful students to advance from elementary
16 school through college to achieve a superior level of
17 proficiency in those languages.

18 “(2) GRANT PERIOD.—A grant awarded under
19 paragraph (1) shall be for a period of not more than
20 five years. A grant may be renewed for not more
21 than two additional five-year periods, if the Sec-
22 retary determines that the grantee’s program is ef-
23 fective and the renewal will best serve the purpose
24 of this program.

25 “(b) DEFINITIONS.—As used in this section:

1 “(1) The term ‘critical-need foreign languages’
2 means foreign languages, such as Arabic, Chinese,
3 Russian, Hindi, and Farsi, determined by the Sec-
4 retary to be most critical for the national security of
5 the United States.

6 “(2) The term ‘superior level of proficiency’
7 means level (3), the professional working level, as
8 measured by the Federal Interagency Language
9 Roundtable (ILR) or the American Council on the
10 Teaching of Foreign Languages (ACTFL).

11 “(c) APPLICATIONS.—

12 “(1) IN GENERAL.—Any institution of higher
13 education that desires to receive a grant under this
14 section shall submit an application to the Secretary
15 at such time, in such manner, and containing such
16 information as the Secretary may require.

17 “(2) CONTENTS.—Each application shall—

18 “(A) identify each local educational agency
19 partner, including contact information and let-
20 ters of commitment, and describe each such
21 partner’s responsibilities (including how they
22 will be involved in planning and implementing
23 program curriculum, what resources they will
24 provide, and how they will ensure continuity of

1 student progress from elementary school to the
2 postsecondary level);

3 “(B) describe how an articulated cur-
4 riculum for students will be developed and im-
5 plemented, including how pedagogical philos-
6 ophy, goals, and approaches will be consistent
7 throughout all educational levels of the pro-
8 gram;

9 “(C) identify target proficiency levels for
10 students at critical benchmarks (such as grades
11 4, 8, and 12), and describe how progress to-
12 ward those proficiency levels will be assessed at
13 the benchmarks and how the project will use
14 the results of the assessments to ensure contin-
15 uous progress toward achieving a superior level
16 of proficiency at the postsecondary level;

17 “(D) describe how the applicant will—

18 “(i) ensure that students entering col-
19 lege from a program supported under this
20 part will be assessed and enabled to
21 progress to a superior level of proficiency;

22 “(ii) address the needs of students al-
23 ready at, or near, the superior level of pro-
24 ficiency, which may include diagnostic as-
25 sessments for placement purposes, cus-

1 tomized and individualized language learn-
2 ing opportunities, and experimental and
3 interdisciplinary language learning; and

4 “(iii) identify and describe how it will
5 partner with other institutions of higher
6 education to provide participating students
7 with multiple options for postsecondary
8 education consistent with the purpose of
9 this part; and

10 “(E) describe how the applicant will sup-
11 port and continue the program after the grant
12 has expired, including how it will seek support
13 from other sources, such as State and local gov-
14 ernment, foundations, and the private sector.

15 “(d) USES OF FUNDS.—Funds awarded under this
16 part shall be used to develop and implement programs at
17 the elementary through postsecondary school levels con-
18 sistent with the purpose of this part by carrying out one
19 or more of the following activities:

20 “(1) To recruit and develop teachers directly re-
21 lated to the purpose of this part at the elementary
22 through high school levels.

23 “(2) To provide innovative opportunities for
24 maximum language exposure for students in the pro-
25 gram, such as the creation of immersion environ-

1 ments (like language houses, language tables, and
2 immersion classrooms, and weekend and summer ex-
3 periences).

4 “(e) MATCHING.—

5 “(1) IN GENERAL.—

6 “(A) CONTRIBUTION.—In each fiscal year,
7 a grantee shall provide a non-Federal contribu-
8 tion in an amount equal to 10 percent of the
9 total amount of the grant award for that fiscal
10 year.

11 “(B) WAIVER.—The Secretary may waive
12 the requirement of subparagraph (A), in any
13 fiscal year, if the Secretary determines that—

14 “(i) the application of the matching
15 requirement will result in serious hardship
16 for the grantee; or

17 “(ii) it will best serve the purpose of
18 this program.

19 “(2) COMPOSITION.—A grantee’s non-Federal
20 contribution required under paragraph (1) may be
21 provided in cash or in kind, fairly evaluated, and
22 shall include only non-Federal funds that are used
23 in a manner consistent with the purpose of this sec-
24 tion.

25 “(f) PROGRAM EVALUATION.—

1 “(1) IN GENERAL.—The Secretary may reserve
2 not more than five percent of the total amount ap-
3 propriated for this part for any fiscal year to evalu-
4 ate the program under this part.

5 “(2) REPORTS.—The Secretary shall promptly
6 report to Congress on the results of any program
7 evaluation conducted under this subsection.”.

8 (h) SELECTION OF GRANT RECIPIENTS.—Section
9 608(b) (20 U.S.C. 1127(b)), as redesignated by subsection
10 (g)(1) of this section, is amended—

11 (1) by striking “objectives” and inserting “mis-
12 sions”; and

13 (2) by adding at the end the following new sen-
14 tence: “In keeping with the purposes of this part,
15 the Secretary shall take into account the degree to
16 which activities of centers, programs, and fellowships
17 at institutions of higher education address national
18 interests, generate and disseminate information, and
19 foster debate on international issues from diverse
20 perspectives.”.

21 (i) EQUITABLE DISTRIBUTION.—Section 609(a) (20
22 U.S.C. 1128(a)), as redesignated by subsection (g)(1) of
23 this section, is amended by adding at the end the following
24 new sentence: “Grants made under section 602 shall also
25 reflect the purposes of this part.”.

1 (j) AUTHORIZATION OF APPROPRIATIONS.—Section
2 611 (20 U.S.C. 1128b), as redesignated by subsection
3 (g)(1) of this section, is amended—

4 (1) by striking “1999” and inserting “2008”;
5 and

6 (2) by striking “4 succeeding” and inserting “5
7 succeeding”.

8 (k) CONFORMING AMENDMENTS.—

9 (1) Sections 603(a) and 604(a)(5) (20 U.S.C.
10 1123(a), 1124(a)(5)) and section 613 (20 U.S.C.
11 1130-1), as redesignated by subsection (g)(1) of this
12 section, are each amended by striking “combina-
13 tions” each place it appears and inserting “con-
14 sortia”.

15 (2) Section 613 (20 U.S.C. 1130-1), as redес-
16 igned by subsection (g)(1) of this section, is
17 amended by striking “combination” each place it ap-
18 pears and inserting “consortium”.

19 (l) SENSE OF THE CONGRESS.—It is the sense of the
20 Congress that due to the diplomatic, economic, and mili-
21 tary importance of China and the Middle East, inter-
22 national exchange and foreign language education pro-
23 grams under the Higher Education Act of 1965 should
24 focus on the learning of Chinese and Arabic language and
25 culture.

1 **SEC. 602. BUSINESS AND INTERNATIONAL EDUCATION PRO-**
2 **GRAMS.**

3 (a) CENTERS FOR INTERNATIONAL BUSINESS EDU-
4 CATION.—Section 613 (20 U.S.C. 1130–1), as redesign-
5 nated by section 601(g)(1) of this title, is amended—

6 (1) in subsection (c)(1)(D), by inserting “(in-
7 cluding those that are eligible to receive assistance
8 under part A or B of title III or under title V)”
9 after “other institutions of higher education”; and

10 (2) in subsection (e), by adding at the end the
11 following new paragraph:

12 “(5) SPECIAL RULE.—The Secretary may waive
13 or reduce the required non-Federal share for institu-
14 tions that—

15 “(A) are eligible to receive assistance
16 under part A or B of title III or under title V;
17 and

18 “(B) have submitted a grant application
19 under this section that demonstrates a need for
20 a waiver or reduction, as determined by the
21 Secretary.”.

22 (b) EDUCATION AND TRAINING PROGRAMS.—Section
23 614 (20 U.S.C. 1130a), as redesignated by section
24 601(g)(1) of this title, is amended by adding at the end
25 the following new subsection:

1 “(e) SPECIAL RULE.—The Secretary may waive or
2 reduce the required non-Federal share for institutions
3 that—

4 “(1) are eligible to receive assistance under part
5 A or B of title III or under title V; and

6 “(2) have submitted a grant application under
7 this section that demonstrates a need for a waiver
8 or reduction, as determined by the Secretary.”.

9 (c) AUTHORIZATION OF APPROPRIATIONS.—Section
10 615 (20 U.S.C. 1130b), as redesignated by section
11 601(g)(1) of this title, is amended—

12 (1) by striking “1999” each place it appears
13 and inserting “2008”; and

14 (2) by striking “4 succeeding” each place it ap-
15 pears and inserting “5 succeeding”.

16 **SEC. 603. INSTITUTE FOR INTERNATIONAL PUBLIC POLICY.**

17 (a) FOREIGN SERVICE PROFESSIONAL DEVELOP-
18 MENT.—Section 621 (20 U.S.C. 1131) is amended—

19 (1) by striking the heading of such section and
20 inserting the following:

21 **“SEC. 621. PROGRAM FOR FOREIGN SERVICE PROFES-**
22 **SIONALS.”;**

23 (2) by striking the second sentence of sub-
24 section (a) and inserting the following: “The Insti-
25 tute shall conduct a program to enhance the inter-

1 national competitiveness of the United States by in-
2 creasing the participation of underrepresented popu-
3 lations in the international service, including private
4 international voluntary organizations and the foreign
5 service of the United States.”; and

6 (3) in subsection (b)(1), by striking subpara-
7 graphs (A) and (B) and inserting the following:

8 “(A) A Tribally Controlled College or Uni-
9 versity or Alaska Native or Native Hawaiian-
10 serving institution eligible for assistance under
11 title III, an institution eligible for assistance
12 under part B of title III, or a Hispanic-serving
13 institution eligible for assistance under title V.

14 “(B) An institution of higher education
15 which serves substantial numbers of underrep-
16 resented students.”.

17 (b) INSTITUTIONAL DEVELOPMENT.—Section 622
18 (20 U.S.C. 1131–1) is amended by inserting before the
19 period at the end of subsection (a) the following: “and pro-
20 mote collaboration with colleges and universities that re-
21 ceive funds under this title”.

22 (c) STUDY ABROAD PROGRAM.—Section 623(a) (20
23 U.S.C. 1131a(a)) is amended by inserting after “1978,”
24 the following: “Alaska Native-serving, Native Hawaiian-
25 serving, and Hispanic-serving institutions,”.

1 (d) **ADVANCED DEGREE IN INTERNATIONAL RELA-**
2 **TIONS.**—Section 624 (20 U.S.C. 1131b) is amended—

3 (1) by striking “**MASTERS**” in the heading of
4 such section and inserting “**ADVANCED**”;

5 (2) by striking “a masters degree in inter-
6 national relations” and inserting “an advanced de-
7 gree in international relations, international affairs,
8 international economics, or other academic areas re-
9 lated to the Institute fellow’s career objectives”; and

10 (3) by striking “The masters degree program
11 designed by the consortia” and inserting “The ad-
12 vanced degree study program shall be designed by
13 the consortia, consistent with the fellow’s career ob-
14 jectives, and”.

15 (e) **INTERNSHIPS.**—Section 625 (20 U.S.C. 1131c)
16 is amended—

17 (1) in subsection (a), by inserting after “1978,”
18 the following: “Alaska Native-serving, Native Hawai-
19 ian-serving, and Hispanic-serving institutions,”;

20 (2) in subsection (b)—

21 (A) by inserting “and” after the semicolon
22 at the end of paragraph (2);

23 (B) by striking “; and” at the end of para-
24 graph (3) and inserting a period; and

25 (C) by striking paragraph (4); and

1 (3) by amending subsection (c) to read as fol-
2 lows:

3 “(c) RALPH J. BUNCHE FELLOWS.—In order to as-
4 sure the recognition and commitment of individuals from
5 underrepresented student populations who demonstrate
6 special interest in international affairs and language
7 study, eligible students who participate in the internship
8 programs authorized under (a) and (b) shall be known as
9 the ‘Ralph J. Bunche Fellows’.”.

10 (f) REPORT.—Section 626 (20 U.S.C. 1131d) is
11 amended by striking “annually prepare a report” and in-
12 serting “prepare a report biennially”.

13 (g) AUTHORIZATION OF APPROPRIATIONS.—Section
14 628 (20 U.S.C. 1131f) is amended—

15 (1) by striking “1999” and inserting “2008”;
16 and

17 (2) by striking “4 succeeding” and inserting “5
18 succeeding”.

19 **SEC. 604. EVALUATION, OUTREACH, AND DISSEMINATION.**

20 Part D of title VI is amended by inserting after sec-
21 tion 631 (20 U.S.C. 1132) the following new section:

22 **“SEC. 632. EVALUATION, OUTREACH, AND DISSEMINATION.**

23 “The Secretary may use not more than one percent
24 of the funds made available for this title for program eval-

1 uation, national outreach, and information dissemination
2 activities.”.

3 **SEC. 605. ADVISORY BOARD.**

4 Part D of title VI is amended by inserting after sec-
5 tion 632 (as added by section 604) the following new sec-
6 tion:

7 **“SEC. 633. INTERNATIONAL HIGHER EDUCATION ADVISORY**
8 **BOARD.**

9 “(a) ESTABLISHMENT AND PURPOSE.—

10 “(1) ESTABLISHMENT.—There is established in
11 the Department an independent International High-
12 er Education Advisory Board (hereafter in this sec-
13 tion referred to as the ‘International Advisory
14 Board’). The International Advisory Board shall
15 provide advice, counsel, and recommendations to the
16 Secretary and the Congress on international edu-
17 cation issues for higher education.

18 “(2) PURPOSE.—The purpose of the Inter-
19 national Advisory Board is—

20 “(A) to provide expertise in the area of na-
21 tional needs for proficiency in world regions,
22 foreign languages, international affairs, and
23 international business;

24 “(B) to make recommendations that will
25 promote the excellence of international edu-

1 cation programs and result in the growth and
2 development of such programs at the postsec-
3 ondary education level that will reflect diverse
4 perspectives and a wide range of views on world
5 regions, foreign language, international affairs,
6 and international business; and

7 “(C) to advise the Secretary and the Con-
8 gress with respect to needs for expertise in gov-
9 ernment, the private sector, and education in
10 order to enhance America’s understanding of,
11 and engagement in, the world.

12 “(b) INDEPENDENCE OF INTERNATIONAL ADVISORY
13 BOARD.—In the exercise of its functions, powers, and du-
14 ties, the International Advisory Board shall be inde-
15 pendent of the Secretary and the other offices and officers
16 of the Department. Except as provided in this subsection
17 and subsection (f), the recommendations of the Inter-
18 national Advisory Board shall not be subject to review or
19 approval by any officer of the Federal Government. Noth-
20 ing in this title shall be construed to authorize the Inter-
21 national Advisory Board to mandate, direct, or control an
22 institution of higher education’s specific instructional con-
23 tent, curriculum, or program of instruction or instructor.
24 The International Advisory Board is authorized to assess
25 a sample of activities supported under this title, using ma-

1 terials that have been submitted to the Department of
2 Education by grant recipients under this title, in order to
3 provide recommendations to the Secretary and the Con-
4 gress for the improvement of programs under the title and
5 to ensure programs meet the purposes of the title to pro-
6 mote the study of and expertise in foreign language and
7 world regions, especially with respect to diplomacy, na-
8 tional security, and international business and trade com-
9 petitiveness. The recommendations of the International
10 Advisory Board may address any area in need of improve-
11 ment, except that any recommendation of specific legisla-
12 tion to Congress shall be made only if the President deems
13 it necessary and expedient.

14 “(c) MEMBERSHIP.—

15 “(1) APPOINTMENT.—The International Advi-
16 sory Board shall have 7 members of whom—

17 “(A) 3 members shall be appointed by the
18 Secretary;

19 “(B) 2 members shall be appointed by the
20 Speaker of the House of Representatives, upon
21 the recommendation of the Majority Leader and
22 the Minority Leader; and

23 “(C) 2 members shall be appointed by the
24 President pro tempore of the Senate, upon the

1 recommendation of the Majority Leader and the
2 Minority Leader.

3 “(2) REPRESENTATION.—Two of the members
4 appointed by the Secretary under paragraph (1)(A)
5 shall be appointed to represent Federal agencies that
6 have diplomacy, national security, international com-
7 merce, or other international activity responsibilities,
8 after consultation with the heads of such agencies.
9 The members of the International Advisory Board
10 shall also include (but not be limited to) persons
11 with international expertise representing States, in-
12 stitutions of higher education, cultural organizations,
13 educational organizations, international business,
14 local education agencies, students, and private citi-
15 zens with expertise in international concerns.

16 “(3) QUALIFICATION.—Members of the Inter-
17 national Advisory Board shall be individuals who
18 have technical qualifications, professional standing,
19 experience working in international affairs or foreign
20 service or international business occupations, or
21 demonstrated knowledge in the fields of higher edu-
22 cation and international education, including foreign
23 languages, world regions, or international affairs.

24 “(d) FUNCTIONS OF THE INTERNATIONAL ADVISORY
25 BOARD.—

1 “(1) IN GENERAL.—The International Advisory
2 Board shall provide recommendations in accordance
3 with subsection (b) regarding improvement of pro-
4 grams under this title to the Secretary and the Con-
5 gress for their review. The International Advisory
6 Board may—

7 “(A) review and comment upon the regula-
8 tions for grants under this title;

9 “(B) assess a sample of activities sup-
10 ported under this title based on the purposes
11 and objectives of this title, using materials that
12 have been submitted to the Department of Edu-
13 cation by grant recipients under this title, in
14 order to provide recommendations for improve-
15 ment of the programs under this title;

16 “(C) make recommendations that will as-
17 sist the Secretary and the Congress to improve
18 the programs under this title to better reflect
19 the national needs related to foreign languages,
20 world regions, diplomacy, national security, and
21 international business and trade competitive-
22 ness, including an assessment of the national
23 needs and the training provided by the institu-
24 tions of higher education that receive a grant

1 under this title for expert and non-expert level
2 foreign language training;

3 “(D) make recommendations to the Sec-
4 retary and the Congress regarding such studies,
5 surveys, and analyses of international education
6 that will provide feedback about the programs
7 under this title and assure that their relative
8 authorized activities reflect diverse perspectives
9 and a wide range of views on world regions, for-
10 eign languages, diplomacy, national security,
11 and international business and trade competi-
12 tiveness;

13 “(E) make recommendations that will
14 strengthen the partnerships between local edu-
15 cational agencies, public and private elementary
16 and secondary education schools, and grant re-
17 cipients under this title to ensure that the re-
18 search and knowledge about world regions, for-
19 eign languages, and international affairs is
20 widely disseminated to local educational agen-
21 cies;

22 “(F) make recommendations on how insti-
23 tutions of higher education that receive a grant
24 under this title can encourage students to serve
25 the Nation and meet national needs in an inter-

1 national affairs, international business, foreign
2 language, or national security capacity;

3 “(G) make recommendations on how link-
4 ages between institutions of higher education
5 and public and private organizations that are
6 involved in international education, inter-
7 national business and trade competitiveness,
8 language training, and international research
9 capacities may fulfill the manpower and infor-
10 mation needs of United States businesses; and

11 “(H) make recommendations to the Sec-
12 retary and the Congress about opportunities for
13 underrepresented populations in the areas of
14 foreign language study, diplomacy, international
15 business and trade competitiveness, and inter-
16 national economics, in order to effectively carry
17 out the activities of the Institute under part C.

18 “(2) HEARINGS.—The International Advisory
19 Board shall provide for public hearing and comment
20 regarding the matter contained in the recommenda-
21 tions described in paragraph (1), prior to the sub-
22 mission of those recommendations to the Secretary
23 and the Congress.

24 “(e) OPERATIONS OF THE COMMITTEE.—

1 “(1) TERMS.—Each member of the Inter-
2 national Advisory Board shall be appointed for a
3 term of 3 years, except that, of the members first
4 appointed (A) 4 shall be appointed for a term of 3
5 years, and (B) 3 shall be appointed for a term of 4
6 years, as designated at the time of appointment by
7 the Secretary. A member of the International Advi-
8 sory Board may be reappointed to successive terms
9 on the International Advisory Board.

10 “(2) VACANCIES.—Any member appointed to
11 fill a vacancy occurring prior to the expiration of the
12 term of a predecessor shall be appointed only for the
13 remainder of such term. A member of the Inter-
14 national Advisory Board shall, upon the Secretary’s
15 request, continue to serve after the expiration of a
16 term until a successor has been appointed.

17 “(3) NO GOVERNMENTAL MEMBERS.—Except
18 for the members appointed by the Secretary under
19 subsection (c)(1)(A), no officers or full-time employ-
20 ees of the Federal Government shall serve as mem-
21 bers of the International Advisory Board.

22 “(4) MEETINGS.—The International Advisory
23 Board shall meet not less than once each year. The
24 International Advisory Board shall hold additional
25 meetings at the call of the Chair or upon the written

1 request of not less than 3 voting members of the
2 International Advisory Board.

3 “(5) QUORUM.—A majority of the voting mem-
4 bers of the International Advisory Board serving at
5 the time of a meeting shall constitute a quorum.

6 “(6) CHAIR.—The International Advisory
7 Board shall elect a Chairman or Chairwoman from
8 among the members of the International Advisory
9 Board.

10 “(f) SUBMISSION TO DEPARTMENT FOR COM-
11 MENT.—The International Advisory Board shall submit
12 its proposed recommendations to the Secretary of Edu-
13 cation for comment for a period not to exceed 30 days
14 in each instance.

15 “(g) PERSONNEL AND RESOURCES.—

16 “(1) COMPENSATION AND EXPENSE.—Members
17 of the International Advisory Board shall serve with-
18 out pay for such service. Members of the Inter-
19 national Advisory Board who are officers or employ-
20 ees of the United States may not receive additional
21 pay, allowances, or benefits by reason of their serv-
22 ice on the International Advisory Board. Members of
23 the International Advisory Board may each receive
24 reimbursement for travel expenses incident to at-
25 tending International Advisory Board meetings, in-

1 including per diem in lieu of subsistence, as authorized
2 by section 5703 of title 5, United States Code, for
3 persons in the Government service employed inter-
4 mittently.

5 “(2) PERSONNEL.—The International Advisory
6 Board may appoint such personnel as may be deter-
7 mined necessary by the Chairman without regard to
8 the provisions of title 5, United States Code, gov-
9 erning appointments in the competitive service, and
10 may be paid without regard to the provisions of
11 chapter 51 and subchapter III of chapter 53 of such
12 title relating to classification and General Schedule
13 pay rates, but no individual so appointed shall be
14 paid in excess of the maximum rate payable under
15 section 5376 of such title. The International Advi-
16 sory Board may appoint not more than one full-time
17 equivalent, nonpermanent, consultant without regard
18 to the provisions of title 5, United States Code. The
19 International Advisory Board shall not be required
20 by the Secretary to reduce personnel to meet agency
21 personnel reduction goals.

22 “(3) CONSULTATION.—In carrying out its du-
23 ties under the Act, the International Advisory Board
24 shall consult with other Federal agencies, represent-

1 atives of State and local governments, and private
2 organizations to the extent feasible.

3 “(4) ASSISTANCE FROM OTHER AGENCIES.—

4 “(A) INFORMATION.—The International
5 Advisory Board is authorized to secure directly
6 from any grantee under this title, executive de-
7 partment, bureau, agency, board, commission,
8 office, independent establishment, or instrumen-
9 tality information, suggestions, estimates, and
10 statistics for the purpose of this section and
11 each such grantee department, bureau, agency,
12 board, commission, office, independent estab-
13 lishment, or instrumentality is authorized and
14 directed, to the extent permitted by law, to fur-
15 nish such information, suggestions, estimates,
16 and statistics directly to the International Advi-
17 sory Board, upon request made by the Chair-
18 man for the purpose of providing expertise in
19 the area of national needs for the proficiency in
20 world regions, foreign languages, and inter-
21 national affairs.

22 “(B) SERVICES AND PERSONNEL.—The
23 head of each Federal agency shall, to the extent
24 not prohibited by law, consult with the Inter-
25 national Advisory Board in carrying out this

1 section. The International Advisory Board is
2 authorized to utilize, with their consent, the
3 services, personnel, information, and facilities of
4 other Federal, State, local, and private agencies
5 with or without reimbursement, for the purpose
6 of providing expertise in the area of national
7 needs for the proficiency in world regions, for-
8 eign languages, and international affairs.

9 “(5) CONTRACTS; EXPERTS AND CONSULT-
10 ANTS.—The International Advisory Board may enter
11 into contracts for the acquisition of information,
12 suggestions, estimates, and statistics for the purpose
13 of this section. The International Advisory Board is
14 authorized to obtain the services of experts and con-
15 sultants without regard to section 3109 of title 5,
16 United States Code and to set pay in accordance
17 with such section.

18 “(h) TERMINATION.—Notwithstanding the sunset
19 and charter provisions of the Federal Advisory Committee
20 Act (5 U.S.C. App. I) or any other statute or regulation,
21 the International Advisory Board shall be authorized
22 through September 30, 2012.

23 “(i) FUNDS.—The Secretary shall use not more than
24 one-half of the funds available to the Secretary under sec-
25 tion 632 to carry out this section.”.

1 **SEC. 606. RECRUITER ACCESS TO STUDENTS AND STUDENT**
2 **RECRUITING INFORMATION; SAFETY.**

3 Part D of title VI is amended by inserting after sec-
4 tion 633 (as added by section 605) the following new sec-
5 tions:

6 **“SEC. 634. RECRUITER ACCESS TO STUDENTS AND STU-**
7 **DENT RECRUITING INFORMATION.**

8 “Each institution of higher education that receives a
9 grant under this title shall assure that—

10 “(1) recruiters of the United States Govern-
11 ment and agencies thereof are given the same access
12 to students as is provided generally to other institu-
13 tions of higher education and prospective employers
14 of those students for the purpose of recruiting for
15 graduate opportunities or prospective employment;
16 and

17 “(2) no undue restrictions are placed upon stu-
18 dents that seek employment with the United States
19 Government or any agency thereof.

20 **“SEC. 635. STUDENT SAFETY.**

21 “Applicants seeking funds under this title to support
22 student travel and study abroad shall submit as part of
23 their grant application a description of safety policies and
24 procedures for students participating in the program while
25 abroad.”.

1 **SEC. 607. NATIONAL STUDY OF FOREIGN LANGUAGE HERIT-**
2 **AGE COMMUNITIES.**

3 Part D of title VI is further amended by inserting
4 after section 635 (as added by section 606) the following
5 new section:

6 **“SEC. 636. NATIONAL STUDY OF FOREIGN LANGUAGE HER-**
7 **ITAGE COMMUNITIES.**

8 “(a) STUDY.—The Secretary of Education, in con-
9 sultation with the International Advisory Board, shall con-
10 duct a study to identify foreign language heritage commu-
11 nities, particularly such communities that include speakers
12 of languages that are critical to the national security of
13 the United States.

14 “(b) FOREIGN LANGUAGE HERITAGE COMMUNITY.—
15 For purposes of this section, the term ‘foreign language
16 heritage community’ means a community of residents or
17 citizens of the United States who are native speakers of,
18 or who have partial fluency in, a foreign language.

19 “(c) REPORT.—Not later than one year after the date
20 of the enactment of this Act, the Secretary of Education
21 shall submit a report to the Congress on the results of
22 the study conducted under this section.”.

1 **TITLE VII—TITLE VII**
2 **AMENDMENTS**

3 **SEC. 701. JAVITS FELLOWSHIP PROGRAM.**

4 (a) **AUTHORITY AND TIMING OF AWARDS.**—Section
5 701(a) (20 U.S.C. 1132a(a)) is amended by inserting
6 after the second sentence the following: “For purposes of
7 the exception in the preceding sentence, a master’s degree
8 in fine arts shall be considered a terminal degree.”.

9 (b) **INTERRUPTIONS OF STUDY.**—Section 701(c) (20
10 U.S.C. 1134(c)) is amended by adding at the end the fol-
11 lowing new sentence: “In the case of other exceptional cir-
12 cumstances, such as active duty military service or per-
13 sonal or family member illness, the institution of higher
14 education may also permit the fellowship recipient to in-
15 terrupt periods of study for the duration of the tour of
16 duty (in the case of military service) or not more than
17 12 months (in any other case), but without payment of
18 the stipend.”.

19 (c) **ALLOCATION OF FELLOWSHIPS.**—Section
20 702(a)(1) (20 U.S.C. 1134a(a)(1)) is amended—

21 (1) in the first sentence, by inserting “from di-
22 verse geographic regions” after “higher education”;
23 and

24 (2) by adding at the end the following new sen-
25 tence: “The Secretary shall also assure that at least

1 one representative appointed to the Board represents
2 an institution that is eligible for a grant under title
3 III or V of this Act.”.

4 (d) STIPENDS.—Section 703 (20 U.S.C. 1134b(a)) is
5 amended—

6 (1) in subsection (a)—

7 (A) by striking “1999–2000” and inserting
8 “2008–2009”;

9 (B) by striking “shall be set” and inserting
10 “may be set”; and

11 (C) by striking “Foundation graduate fel-
12 lowships” and inserting “Foundation Graduate
13 Research Fellowship Program on February 1 of
14 such academic year”; and

15 (2) in subsection (b), by amending paragraph
16 (1)(A) to read as follows:

17 “(1) IN GENERAL.—(A) The Secretary shall (in
18 addition to stipends paid to individuals under this
19 subpart) pay to the institution of higher education,
20 for each individual awarded a fellowship under this
21 subpart at such institution, an institutional allow-
22 ance. Except as provided in subparagraph (B), such
23 allowance shall be, for 2008–2009 and succeeding
24 academic years, the same amount as the institu-
25 tional payment made for 2007–2008 adjusted for

1 2008–2009 and annually thereafter in accordance
2 with inflation as determined by the Department of
3 Labor’s Consumer Price Index for All Urban Con-
4 sumers for the previous calendar year.”.

5 (e) AUTHORIZATION OF APPROPRIATIONS.—Section
6 705 (20 U.S.C. 1134d) is amended by striking “fiscal year
7 1999 and such sums as may be necessary for each of the
8 4 succeeding fiscal years” and inserting “fiscal year 2008
9 and such sums as may be necessary for each of the 5 suc-
10 ceeding fiscal years”.

11 **SEC. 702. GRADUATE ASSISTANCE IN AREAS OF NATIONAL**
12 **NEED.**

13 (a) DESIGNATION OF AREAS OF NATIONAL NEED;
14 PRIORITY.—Section 712 (20 U.S.C. 1135a) is amended—

15 (1) in the last sentence of subsection (b)—

16 (A) by striking “and an assessment” and
17 inserting “an assessment”; and

18 (B) by inserting before the period at the
19 end the following: “, and the priority described
20 in subsection (c) of this section”; and

21 (2) by adding at the end the following new sub-
22 section:

23 “(c) PRIORITY.—The Secretary shall establish a pri-
24 ority for grants in order to prepare individuals for the pro-
25 fessoriate who will train highly-qualified elementary and

1 secondary math and science teachers, special education
2 teachers, and teachers who provide instruction for limited
3 English proficient individuals. Such grants shall offer pro-
4 gram assistance and graduate fellowships for—

5 “(1) post-baccalaureate study related to teacher
6 preparation and pedagogy in math and science for
7 students who have completed a master’s degree or
8 are pursuing a doctorate of philosophy in math and
9 science;

10 “(2) post-baccalaureate study related to teacher
11 preparation and pedagogy in special education and
12 English language acquisition and academic pro-
13 ficiency for limited English proficient individuals;
14 and

15 “(3) support of dissertation research in the
16 fields of math, science, special education, or second
17 language pedagogy and second language acquisi-
18 tion.”.

19 (b) COLLABORATION REQUIRED FOR CERTAIN AP-
20 PPLICATIONS.—Section 713(b) (20 U.S.C. 1135b) is
21 amended—

22 (1) by striking “and” at the end of paragraph
23 (9);

24 (2) by redesignating paragraph (10) as para-
25 graph (11); and

1 (3) by inserting after paragraph (9) the fol-
2 lowing new paragraph:

3 “(10) in the case of an application from a de-
4 partment, program, or unit in education or teacher
5 preparation, provide assurances that such depart-
6 ment, program, or unit will collaborate with depart-
7 ments, programs, or units in all content areas to en-
8 sure a successful combination of training in both
9 teaching and such content; and”.

10 (c) STIPENDS.—Section 714(b) (20 U.S.C. 1135c(b))
11 is amended—

12 (1) by striking “1999–2000” and inserting
13 “2008–2009”;

14 (2) by striking “shall be set” and inserting
15 “may be set”; and

16 (3) by striking “Foundation graduate fellow-
17 ships” and inserting “Foundation Graduate Re-
18 search Fellowship Program on February 1 of such
19 academic year”.

20 (d) ADDITIONAL ASSISTANCE.—Section 715(a)(1)
21 (20 U.S.C. 1135d(a)(1)) is amended—

22 (1) by striking “1999–2000” and inserting
23 “2008–2009”;

24 (2) by striking “1998–1999” and inserting
25 “2007–2008”; and

1 (3) by inserting “for All Urban Consumers”
2 after “Price Index”.

3 (e) AUTHORIZATION OF APPROPRIATIONS.—Section
4 716 (20 U.S.C. 1135e) is amended by striking “fiscal year
5 1999 and such sums as may be necessary for each of the
6 4 succeeding fiscal years” and inserting “fiscal year 2008
7 and such sums as may be necessary for each of the 5 suc-
8 ceeding fiscal years”.

9 (f) TECHNICAL AMENDMENTS.—Section 714(c) (20
10 U.S.C. 1135c(c)) is amended—

11 (1) by striking “section 716(a)” and inserting
12 “section 715(a)”; and

13 (2) by striking “section 714(b)(2)” and insert-
14 ing “section 713(b)(2)”.

15 **SEC. 703. THURGOOD MARSHALL LEGAL EDUCATIONAL OP-**
16 **PORTUNITY PROGRAM.**

17 (a) CONTRACT AND GRANT PURPOSES.—Section
18 721(e) (20 U.S.C. 1136(e)) is amended—

19 (1) by amending paragraph (2) to read as fol-
20 lows:

21 “(2) to prepare such students for study at ac-
22 credited law schools and assist them with the devel-
23 opment of analytical skills and study methods to en-
24 hance their success and promote completion of law
25 school;”;

1 (2) by striking “and” at the end of paragraph
2 (4);

3 (3) by striking the period at the end of para-
4 graph (5) and inserting “; and”; and

5 (4) by adding at the end the following new
6 paragraph:

7 “(6) to award Thurgood Marshall Fellowships
8 to eligible law school students—

9 “(A) who participated in summer institutes
10 authorized by subsection (d) and who are en-
11 rolled in an accredited law school; or

12 “(B) who are eligible law school students
13 who have successfully completed a comparable
14 summer institute program certified by the
15 Council on Legal Educational Opportunity.”.

16 (b) SERVICES PROVIDED.—Section 721(d)(1)(D) (20
17 U.S.C. 1136(d)(1)(D)) is amended by inserting “in ana-
18 lytical skills and study methods” after “courses”.

19 (c) AUTHORIZATION OF APPROPRIATIONS.—Section
20 721(h) (20 U.S.C. 1136(h)) is amended by striking “1999
21 and each of the 4 succeeding fiscal years” and inserting
22 “2008 and each of the 5 succeeding fiscal years”.

23 (d) GENERAL PROVISIONS.—Subsection (e) of section
24 731 (20 U.S.C. 1137(e)) is repealed.

1 **SEC. 704. FUND FOR THE IMPROVEMENT OF POSTSEC-**
2 **ONDARY EDUCATION.**

3 (a) **CONTRACT AND GRANT PURPOSES.**—Section
4 741(a) (20 U.S.C. 1138(a)) is amended—

5 (1) by amending paragraph (1) to read as fol-
6 lows:

7 “(1) the encouragement of the reform and im-
8 provement of, and innovation in, postsecondary edu-
9 cation and the provision of educational opportunity
10 for all, especially for the non-traditional student pop-
11 ulations;”;

12 (2) in paragraph (2), by inserting before the
13 semicolon at the end the following: “for postsec-
14 ondary students, especially institutions, programs,
15 and joint efforts that provide academic credit for
16 programs”;

17 (3) by amending paragraph (3) to read as fol-
18 lows:

19 “(3) the establishment of institutions and pro-
20 grams based on the technology of communications,
21 including delivery by distance education;”;

22 (4) by amending paragraph (6) to read as fol-
23 lows:

24 “(6) the introduction of institutional reforms
25 designed to expand individual opportunities for en-
26 tering and reentering postsecondary institutions and

1 pursuing programs of postsecondary study tailored
2 to individual needs;”;

3 (5) by striking “and” at the end of paragraph
4 (7);

5 (6) by striking the period at the end of para-
6 graph (8) and inserting a semicolon; and

7 (7) by adding at the end the following new
8 paragraphs:

9 “(9) the provision of support and assistance to
10 programs implementing integrated education reform
11 services in order to improve secondary school grad-
12 uation and college attendance and completion rates
13 for disadvantaged students, and to programs that
14 reduce postsecondary remediation rates, and improve
15 degree attainment rates, for low-income students
16 and former high school dropouts;

17 “(10) the assessment, in partnership with a
18 public or private nonprofit institution or agency, of
19 the performance of teacher preparation programs
20 within institutions of higher education in a State,
21 using an assessment which provides comparisons
22 across such schools within the State based upon in-
23 dicators including teacher candidate knowledge in
24 subject areas in which such candidate has been pre-
25 pared to teach;

1 “(11) supporting efforts to establish pilot pro-
2 grams and initiatives to help college campuses to re-
3 duce illegal downloading of copyrighted content, in
4 order to improve the security and integrity of cam-
5 pus computer networks and save bandwidth costs;

6 “(12) support increased fire safety in student
7 housing—

8 “(A) by establishing a demonstration in-
9 centive program for qualified student housing in
10 institutions of higher education;

11 “(B) by making grants for the purpose of
12 installing fire alarm detection, prevention, and
13 protection technologies in student housing, dor-
14 mitories, and other buildings controlled by such
15 entities; and

16 “(C) by requiring, as a condition of such
17 grants—

18 “(i) that such technologies be installed
19 professionally to technical standards of the
20 National Fire Protection Association; and

21 “(ii) that the recipient shall provide
22 non-Federal matching funds in an amount
23 equal to the amount of the grant; and

24 “(13) establishing and operating pregnant and
25 parenting student services offices that—

1 “(A) will serve students who are pregnant
2 or parenting, prospective parenting students
3 who are anticipating a birth or adoption, and
4 students who are placing or have placed a child
5 for adoption; and

6 “(B) will help students with locating and
7 utilizing child care, family housing, flexible aca-
8 demic scheduling such as telecommuting pro-
9 grams, parenting classes and programs, and
10 post-partum counseling and support groups.”.

11 (b) MILITARY SCHOLARSHIPS.—Section 741 (20
12 U.S.C. 1138) is further amended by adding at the end
13 the following new subsection:

14 “(c) SCHOLARSHIP PROGRAM FOR FAMILY MEMBERS
15 OF VETERANS OR MEMBERS OF THE MILITARY.—

16 “(1) AUTHORIZATION.—The Secretary shall
17 contract with a nonprofit organization with dem-
18 onstrated experience in carrying out the activities
19 described in this subsection to carry out a program
20 to provide postsecondary education scholarships for
21 eligible students.

22 “(2) ELIGIBLE STUDENTS.—In this subsection,
23 the term ‘eligible student’ means an individual who
24 is enrolled as a full-time or part-time student at an

1 institution of higher education (as defined in section
2 102) and who is—

3 “(A) a dependent student who is a child
4 of—

5 “(i) an individual who is—

6 “(I) serving on active duty dur-
7 ing a war or other military operation
8 or national emergency (as defined in
9 section 481); or

10 “(II) performing qualifying Na-
11 tional Guard duty during a war or
12 other military operation or national
13 emergency (as defined in section 481);
14 or

15 “(ii) a veteran who died while serving
16 or performing, as described in subclause
17 (I), since September 11, 2001, or has been
18 disabled while serving or performing, as
19 described in clause (i), as a result of such
20 event; or

21 “(B) an independent student who is a
22 spouse of—

23 “(i) an individual who is—

24 “(I) serving on active duty dur-
25 ing a war or other military operation

1 or national emergency (as defined in
2 section 481); or

3 “(II) performing qualifying Na-
4 tional Guard duty during a war or
5 other military operation or national
6 emergency (as defined in section 481);
7 or

8 “(ii) a veteran who died while serving
9 or performing, as described in subclause
10 (I), since September 11, 2001, or has been
11 disabled while serving or performing, as
12 described in clause (i), as a result of such
13 event.

14 “(3) AWARDING OF SCHOLARSHIPS.—Scholar-
15 ships awarded under this subsection shall be award-
16 ed based on need with priority given to eligible stu-
17 dents who are eligible to receive Federal Pell Grants
18 under subpart 1 of part A of title IV.

19 “(4) MAXIMUM SCHOLARSHIP AMOUNT.—The
20 maximum scholarship amount awarded to an eligible
21 student under this subsection for an academic year
22 shall be the lesser of—

23 “(A) the difference between the eligible
24 student’s cost of attendance (as defined in sec-

1 tion 472) and any non-loan based aid such stu-
2 dent receives; or

3 “(B) \$5,000.

4 “(5) AMOUNTS FOR SCHOLARSHIPS.—All of the
5 amounts appropriated to carry out this subsection
6 for a fiscal year shall be used for scholarships
7 awarded under this subsection, except that a non-
8 profit organization receiving a contract under this
9 subsection may use not more than 1 percent of such
10 amounts for the administrative costs of the con-
11 tract.”.

12 (c) PROHIBITION.—Section 741 (20 U.S.C. 1138) is
13 further amended by adding at the end the following sub-
14 section:

15 “(d) PROHIBITION.—No funds made available under
16 this part may be used to provide financial assistance to
17 students who do not meet the requirements of section
18 484(a)(5).”.

19 (d) AREAS OF NATIONAL NEED.—Section 744(c) (20
20 U.S.C. 1138c(c)) is amended—

21 (1) by amending paragraph (2) to read as fol-
22 lows:

23 “(2)(A) Development of partnerships between
24 local educational agencies and institutions of higher
25 education to establish or expand existing dual enroll-

1 ment programs at institutions of higher education
2 that allow high school students to earn high school
3 and transferable college credit.

4 “(B) Development of consortia of institutions of
5 higher education to create dual enrollment programs
6 including academic and student support agreements
7 and comprehensive articulation agreements that
8 would allow for the seamless and timely acquisition
9 of college credits and the transfer of postsecondary
10 academic credits between such institutions, particu-
11 larly from 2-year to 4-year institutions of higher
12 education.”; and

13 (2) by striking paragraph (4) and inserting the
14 following:

15 “(4) International cooperation, partnerships, or
16 student exchange among postsecondary educational
17 institutions in the United States and abroad.

18 “(5) Establishment of academic programs in-
19 cluding graduate and undergraduate courses, semi-
20 nars and lectures, support of research, and develop-
21 ment of teaching materials for the purpose of sup-
22 porting faculty and academic programs that teach
23 traditional American history (including significant
24 constitutional, political, intellectual, economic, diplo-
25 matic, and foreign policy trends, issues, and docu-

1 ments; the history, nature, and development of
2 democratic institutions of which American democ-
3 racy is a part; and significant events and individuals
4 in the history of the United States).

5 “(6) Support for planning, applied research,
6 training, resource exchanges or technology transfers,
7 the delivery of services, or other activities the pur-
8 pose of which is to design and implement programs
9 to enable institutions of higher education to work
10 with private and civic organizations to assist commu-
11 nities to meet and address their pressing and severe
12 problems, including economic development, commu-
13 nity infrastructure and housing, crime prevention,
14 education, healthcare, self-sufficiency, and workforce
15 preparation. Such activities may include support for
16 the development of coordinated curriculum and in-
17 ternship opportunities for students in disadvantaged
18 communities.”.

19 (e) AUTHORIZATION OF APPROPRIATIONS.—Section
20 745 (20 U.S.C. 1138d) is amended by striking
21 “\$30,000,000 for fiscal year 1999 and such sums as may
22 be necessary for each of the 4 succeeding fiscal years” and
23 inserting “\$40,000,000 for fiscal year 2008 and such
24 sums as may be necessary for each of the 5 succeeding
25 fiscal years”.

1 **SEC. 705. URBAN COMMUNITY SERVICE.**

2 Part C of title VII (20 U.S.C. 1139 et seq.) is re-
3 pealed.

4 **SEC. 706. DEMONSTRATION PROJECTS TO ENSURE STU-**
5 **DENTS WITH DISABILITIES RECEIVE A QUAL-**
6 **ITY HIGHER EDUCATION.**

7 (a) SERVING ALL STUDENTS WITH DISABILITIES.—
8 Section 762(a) (20 U.S.C. 1140a(a)) is amended by strik-
9 ing “students with learning disabilities” and inserting
10 “students with disabilities”.

11 (b) AUTHORIZED ACTIVITIES.—

12 (1) AMENDMENT.—Section 762(b)(2) is amend-
13 ed—

14 (A) in subparagraph (A), by inserting “in
15 order to improve retention and completion”
16 after “disabilities”;

17 (B) by redesignating subparagraphs (B)
18 and (C) as subparagraphs (C) and (E), respec-
19 tively;

20 (C) by inserting after subparagraph (A)
21 the following new subparagraph:

22 “(B) EFFECTIVE TRANSITION PRAC-
23 TICES.—The development of innovative, effec-
24 tive, and efficient teaching methods and strate-
25 gies to ensure the smooth transition of students

1 with disabilities from high school to postsec-
2 ondary education.”; and

3 (D) by inserting after subparagraph (C)
4 (as redesignated by subparagraph (B) of this
5 paragraph) the following new subparagraph:

6 “(D) DISTANCE LEARNING.—The develop-
7 ment of innovative, effective, and efficient
8 teaching methods and strategies to provide fac-
9 ulty and administrators with the ability to pro-
10 vide accessible distance education programs or
11 classes that would enhance access of students
12 with disabilities to higher education, including
13 the use of electronic communication for instruc-
14 tion and advisement.”.

15 (2) CONFORMING AMENDMENT.—Section
16 762(b)(3) is amended by striking “subparagraphs
17 (A) through (C)” and inserting “subparagraphs (A)
18 through (E)”.

19 (c) APPLICATIONS.—Section 763 (20 U.S.C. 1140b)
20 is amended—

21 (1) by amending paragraph (1) to read as fol-
22 lows:

23 “(1) a description of how such institution plans
24 to address the activities allowed under this part;”;

1 (2) by inserting before paragraph (2) (as so re-
2 designated) the following new paragraph:

3 “(1) AUTHORIZING COMMITTEES.—The term
4 ‘authorizing committees’ means the Committee on
5 Health, Education, Labor, and Pensions of the Sen-
6 ate and the Committee on Education and Labor of
7 the House of Representatives.”.

8 (b) COMMITTEES.—

9 (1) The following provisions are each amended
10 by striking “Committee on Labor and Human Re-
11 sources of the Senate and the Committee on Edu-
12 cation and the Workforce of the House of Rep-
13 resentatives” and inserting “authorizing commit-
14 tees”:

15 (A) Section 428(g) (20 U.S.C. 1078(g)).

16 (B) Section 428A(c)(2) (20 U.S.C. 1078-
17 1(e)(2)).

18 (C) Section 428A(c)(5) (20 U.S.C. 1078-
19 1(e)(5)).

20 (D) Section 455(b)(7)(B) (20 U.S.C.
21 1087e(b)(7)(B)), as redesignated by section
22 423(b)(3).

23 (E) Section 483(c) (20 U.S.C. 1090(c)).

24 (F) Section 486(e) (20 U.S.C. 1093(e)).

1 (G) Section 486(f)(3)(A) (20 U.S.C.
2 1093(f)(3)(A)).

3 (H) Section 486(f)(3)(B) (20 U.S.C.
4 1093(f)(3)(B)).

5 (I) Section 487A(a)(5) (20 U.S.C.
6 1094a(a)(5)).

7 (J) Section 487A(b)(2) (20 U.S.C.
8 1094a(b)(2)).

9 (K) Section 487A(b)(3)(B) (20 U.S.C.
10 1094a(b)(3)(B)).

11 (L) Section 498B(d)(1) (20 U.S.C. 1099c–
12 2(d)(1)).

13 (M) Section 498B(d)(2) (20 U.S.C.
14 1099c–2(d)(2)).

15 (2) The following provisions are each amended
16 by striking “Committee on Education and the Work-
17 force of the House of Representatives and the Com-
18 mittee on Labor and Human Resources of the Sen-
19 ate” and inserting “authorizing committees”:

20 (A) Section 141(d)(4)(B) (20 U.S.C.
21 1018(d)(4)(B)).

22 (B) Section 428(n)(4) (20 U.S.C.
23 1078(n)(4)).

24 (C) Section 437(c)(1) (20 U.S.C.
25 1087(c)(1)).

1 (D) Section 485(f)(5)(A) (20 U.S.C.
2 1092(f)(5)(A)).

3 (E) Section 485(g)(4)(B) (20 U.S.C.
4 1092(g)(4)(B)).

5 (3) Section 401(f)(3) (20 U.S.C. 1070a(f)(3))
6 is amended by striking “Committee on Appropria-
7 tions and the Committee on Labor and Human Re-
8 sources of the Senate and the Committee on Appro-
9 priations and the Committee on Education and the
10 Workforce of the House of Representatives” and in-
11 sserting “Committees on Appropriations of the Sen-
12 ate and House of Representatives and the author-
13 izing committees”.

14 (4) Section 428(c)(9)(K) (20 U.S.C.
15 1078(c)(9)(K)) is amended by striking “House Com-
16 mittee on Education and the Workforce and the
17 Senate Committee on Labor and Human Resources”
18 and inserting “authorizing committees”.

19 (5) Section 432(f)(1)(C) (20 U.S.C.
20 1082(f)(1)(C)) is amended by striking “Committee
21 on Education and the Workforce of the House of
22 Representatives or the Committee on Labor and
23 Human Resources of the Senate” and inserting “ei-
24 ther of the authorizing committees”.

1 (6) Section 439(d)(1)(E)(iii) (20 U.S.C. 1087–
2 2(d)(1)(E)(iii)) is amended by striking “Chairman
3 and the Ranking Member on the Committee on
4 Labor and Human Resources of the Senate and the
5 Chairman and the Ranking Member of the Com-
6 mittee on Education and Labor of the House of
7 Representatives” and inserting “chairpersons and
8 ranking minority members of the authorizing com-
9 mittees”.

10 (7) Paragraphs (3) and (8)(C) of section 439(r)
11 (20 U.S.C. 1087–2(r)) are each amended by striking
12 “Chairman and ranking minority member of the
13 Committee on Labor and Human Resources of the
14 Senate, the Chairman and ranking minority member
15 of the Committee on Education and Labor of the
16 House of Representatives,” and inserting “chair-
17 persons and ranking minority members of the au-
18 thorizing committees”.

19 (8) Paragraphs (5)(B) and (10) of section
20 439(r) (20 U.S.C. 1087–2(r)) are each amended by
21 striking “Chairman and ranking minority member of
22 the Senate Committee on Labor and Human Re-
23 sources and to the Chairman and ranking minority
24 member of the House Committee on Education and

1 Labor” and inserting “chairpersons and ranking mi-
2 nority members of the authorizing committees”.

3 (9) Section 439(r)(6)(B) (20 U.S.C. 1087-
4 2(r)(6)(B)) is amended by striking “Chairman and
5 ranking minority member of the Committee on
6 Labor and Human Resources of the Senate and to
7 the Chairman and ranking minority member of the
8 Committee on Education and Labor of the House of
9 Representatives” and inserting “chairpersons and
10 ranking minority members of the authorizing com-
11 mittees”.

12 (10) Section 439(s)(2)(A) (20 U.S.C. 1087-
13 2(s)(2)(A)) is amended by striking “Chairman and
14 Ranking Member of the Committee on Labor and
15 Human Resources of the Senate and the Chairman
16 and Ranking Member of the Committee on Eco-
17 nomic and Educational Opportunities of the House
18 of Representatives” and inserting “chairpersons and
19 ranking minority members of the authorizing com-
20 mittees”.

21 (11) Section 439(s)(2)(B) (20 U.S.C. 1087-
22 2(s)(2)(B)) is amended by striking “Chairman and
23 Ranking Minority Member of the Committee on
24 Labor and Human Resources of the Senate and
25 Chairman and Ranking Minority Member of the

1 Committee on Economic and Educational Opportu-
2 nities of the House of Representatives” and insert-
3 ing “chairpersons and ranking minority members of
4 the authorizing committees”.

5 (12) Section 482(d) (20 U.S.C. 1089(d)) is
6 amended by striking “Committee on Labor and
7 Human Resources of the Senate and the Committee
8 on Education and Labor of the House of Represent-
9 atives” and inserting “authorizing committees”.

10 (c) ADDITIONAL CLERICAL AMENDMENTS.—

11 (1) Clauses (i) and (ii) of section 425(a)(2)(A)
12 (20 U.S.C. 1075(a)(2)(A)) are each amended by
13 striking “428A or 428B” and inserting “428B or
14 428H”.

15 (2) Section 428(a)(2)(E) (20 U.S.C.
16 1078(a)(2)(E)) is amended by striking “428A or”.

17 (3) Clauses (i) and (ii) of section 428(b)(1)(B)
18 (20 U.S.C. 1078(b)(1)(B)) are each amended by
19 striking “428A or 428B” and inserting “428B or
20 428H”.

21 (4) Section 428(b)(1)(Q) (20 U.S.C.
22 1078(b)(1)(Q)) is amended by striking “sections
23 428A and 428B” and inserting “section 428B or
24 428H”.

1 (5) Section 428(b)(7)(C) (20 U.S.C.
2 1078(b)(7)(C)) is amended by striking “428A,
3 428B,” and inserting “428B”.

4 (6) Section 428G(c)(2) (20 U.S.C. 1078–
5 7(c)(2)) is amended by striking “428A” and insert-
6 ing “428H”.

7 (7) The heading for section 433(e) (20 U.S.C.
8 1083(e)) is amended by striking “SLS LOANS
9 AND”.

10 (8) Section 433(e) (20 U.S.C. 1083(e)) is
11 amended by striking “428A, 428B,” and inserting
12 “428B”.

13 (9) Section 435(a)(3) (20 U.S.C. 1085(a)(3)) is
14 amended—

15 (A) by inserting “or” at the end of sub-
16 paragraph (A);

17 (B) by striking subparagraph (B); and

18 (C) by redesignating subparagraph (C) as
19 subparagraph (B).

20 (10) Section 435(d)(1)(G) (20 U.S.C.
21 1085(d)(1)(G)) is amended by striking “428A(d),
22 428B(d), 428C,” and inserting “428B(d), 428C,
23 428H,”.

24 (11) Section 435(m) (20 U.S.C. 1085(m)) is
25 amended—

1 (A) in paragraph (1)(A), by striking “,
2 428A,”; and

3 (B) in paragraph (2)(D), by striking
4 “428A” each place it appears and inserting
5 “428H”.

6 (12) Section 438(b)(2)(D)(ii) (20 U.S.C. 1087–
7 1(b)(2)(D)(ii)) is amended by striking “division (i)
8 of this subparagraph” and inserting “clause (i) of
9 this subparagraph”.

10 (13) Section 438(c)(6) (20 U.S.C. 1087–
11 1(c)(6)) is amended—

12 (A) by striking “**SLS AND PLUS**” in the
13 heading and inserting “**PLUS**”; and

14 (B) by striking “428A or”.

15 (14) Section 438(c)(7) (20 U.S.C. 1087–
16 1(c)(7)) is amended by striking “428A or”.

17 (15) Nothing in the amendments made by this
18 subsection shall be construed to alter the terms, con-
19 ditions, and benefits applicable to Federal supple-
20 mental loans for students (“SLS loans”) under sec-
21 tion 428A as in effect prior to July 1, 1994 (20
22 U.S.C. 1078–1).

1 **TITLE IX—AMENDMENTS TO**
2 **OTHER EDUCATION LAWS**

3 **PART A—EDUCATION OF THE DEAF ACT OF 1986**

4 **SEC. 901. LAURENT CLERC NATIONAL DEAF EDUCATION**
5 **CENTER.**

6 (a) GENERAL AUTHORITY.—Section 104(a)(1)(A) of
7 the Education of the Deaf Act of 1986 (20 U.S.C.
8 4304(a)(1)(A)) is amended by inserting after “maintain
9 and operate” the following: “, at the Laurent Clerc Na-
10 tional Deaf Education Center,”.

11 (b) ADMINISTRATIVE REQUIREMENTS.—

12 (1) IN GENERAL.—Section 104(b) of the Edu-
13 cation of the Deaf Act of 1986 (20 U.S.C. 4304(b))
14 is amended—

15 (A) in the matter preceding subparagraph
16 (A) of paragraph (1), by striking “elementary
17 and secondary education programs” and insert-
18 ing “Laurent Clerc National Deaf Education
19 Center”;

20 (B) in paragraph (2), by striking “elemen-
21 tary and secondary education programs” and
22 inserting “Laurent Clerc National Deaf Edu-
23 cation Center”; and

24 (C) in paragraph (4)(C)—

1 (i) in clause (i), by striking “(6)” and
2 inserting “(8)”; and
3 (ii) in clause (vi), by striking “(m)”
4 and inserting “(o)”.

5 (2) ACADEMIC CONTENT STANDARDS, ACHIEVE-
6 MENT STANDARDS, AND ASSESSMENTS.—Section
7 104(b) of the Education of the Deaf Act of 1986
8 (20 U.S.C. 4304(b)) is amended by adding at the
9 end the following new paragraph:

10 “(5) The University, in consultation with the Sec-
11 retary and consistent with the mission of the elementary
12 and secondary programs operated at the Laurent Clerc
13 National Deaf Education Center, shall—

14 “(A) not later than the beginning of the 2008–
15 2009 school year, adopt and implement academic
16 content standards, academic achievement standards,
17 and academic assessments as described in para-
18 graphs (1) and (3) of section 1111(b) of the Ele-
19 mentary and Secondary Education Act of 1965 for
20 such Center;

21 “(B) develop adequate yearly progress stand-
22 ards for such Center as described in section
23 1111(b)(2)(C) of such Act; and

24 “(C) publicly report the results of such assess-
25 ments, except in such case in which such reporting

1 would not yield statistically reliable information or
2 would reveal personally identifiable information
3 about an individual student.”.

4 **SEC. 902. AGREEMENT WITH GALLAUDET UNIVERSITY.**

5 Section 105(b)(4) of the Education of the Deaf Act
6 of 1986 (20 U.S.C. 4305) is amended—

7 (1) by striking “the Act of March 3, 1931 (40
8 U.S.C. 276a–276a–5)” and inserting “sections 3141
9 through 3148 of title 40, United States Code,”; and

10 (2) by striking “section 2 of the Act of June
11 13, 1934 (40 U.S.C. 276c)” and inserting “section
12 3145 of title 40, United States Code”.

13 **SEC. 903. AUTHORITY.**

14 Section 111 of the Education of the Deaf Act of 1986
15 (20 U.S.C. 4331) is amended by striking “the institution
16 of higher education with which the Secretary has an agree-
17 ment under this part” and inserting “the Rochester Insti-
18 tute of Technology”.

19 **SEC. 904. AGREEMENT FOR THE NATIONAL TECHNICAL IN-**
20 **STITUTE FOR THE DEAF.**

21 (a) GENERAL AUTHORITY.—Section 112(a) of the
22 Education of the Deaf Act of 1986 (20 U.S.C. 4332(a))
23 is amended—

24 (1) in paragraph (1)—

25 (A) in the first sentence—

1 (i) by striking “an institution of high-
2 er education” and inserting “the Rochester
3 Institute of Technology, Rochester, New
4 York,”; and

5 (ii) by striking “of a” and inserting
6 “of the”; and

7 (B) by striking the second sentence; and

8 (2) in paragraph (2)—

9 (A) in the matter preceding subparagraph
10 (A), by striking “the institution of higher edu-
11 cation with which the Secretary has an agree-
12 ment under this section” and inserting “the
13 Rochester Institute of Technology”; and

14 (B) in subparagraph (B), by striking “the
15 institution” and inserting “the Rochester Insti-
16 tute of Technology”.

17 (b) PROVISIONS OF AGREEMENT.—Section 112(b) of
18 the Education of the Deaf Act of 1986 (20 U.S.C.
19 4332(b)) is amended—

20 (1) in paragraph (2), by striking “or other gov-
21 erning body of the institution” and inserting “of the
22 Rochester Institute of Technology”;

23 (2) in paragraph (3)—

1 (A) by striking “or other governing body of
2 the institution” and inserting “of the Rochester
3 Institute of Technology”;

4 (B) by striking “the institution of higher
5 education under the agreement with the Sec-
6 retary” and inserting “the Rochester Institute
7 of Technology by the National Technical Insti-
8 tute for the Deaf”; and

9 (C) by striking “Committee on Labor and
10 Human Resources of the Senate” and inserting
11 “Committee on Health, Education, Labor, and
12 Pensions of the Senate”; and

13 (3) in paragraph (5)—

14 (A) by striking “the Act of March 3, 1931
15 (40 U.S.C. 276a–276a–5)” and inserting “sec-
16 tions 3141 through 3148 of title 40, United
17 States Code,”; and

18 (B) by striking “section 2 of the Act of
19 June 13, 1934 (40 U.S.C. 276c)” and inserting
20 “section 3145 of title 40, United States Code,”.

21 (c) LIMITATION.—Section 112(c) of the Education of
22 the Deaf Act of 1986 (20 U.S.C. 4332(c)) is amended—

23 (1) in paragraphs (1) and (2), by striking “in-
24 stitution” each place it appears and inserting “Roch-
25 ester Institute of Technology”; and

1 (2) in the matter following paragraph (2), by
2 striking “the applicant” and inserting “RIT”.

3 **SEC. 905. DEFINITIONS.**

4 Section 201 of the Education of the Deaf Act of 1986
5 (20 U.S.C. 4351) is amended—

6 (1) by striking paragraph (3);

7 (2) by redesignating paragraphs (4) through
8 (7) as paragraphs (3) through (6), respectively; and

9 (3) by adding at the end the following new
10 paragraph:

11 “(7) The term ‘RIT’ means the Rochester Insti-
12 tute of Technology.”.

13 **SEC. 906. AUDIT.**

14 (a) GOVERNMENT ACCOUNTABILITY OFFICE AU-
15 THORITY.—Section 203(a) of the Education of the Deaf
16 Act of 1986 (20 U.S.C. 4353(a)) is amended—

17 (1) in the heading, by striking “**GENERAL AC-**
18 **COUNTING OFFICE**” and inserting “**GOVERN-**
19 **MENT ACCOUNTABILITY OFFICE**”; and

20 (2) in the matter following paragraph (2), by
21 striking “General Accounting Office” and inserting
22 “Government Accountability Office”.

23 (b) INDEPENDENT FINANCIAL AND COMPLIANCE
24 AUDIT.—Section 203(b)(1) of the Education of the Deaf
25 Act of 1986 (20 U.S.C. 4353(b)(1)) is amended by strik-

1 ing the second sentence and inserting the following:
2 “NTID shall have an annual independent financial and
3 compliance audit made of RIT programs and activities,
4 including NTID programs and activities.”.

5 (c) COMPLIANCE.—Section 203(b)(2) of the Edu-
6 cation of the Deaf Act of 1986 (20 U.S.C. 4353(b)(2))
7 is amended by striking “sections” and all that follows and
8 inserting “sections 102(b), 105(b)(4), 112(b)(5), 203(c),
9 207(b)(2), subsections (c) through (f) of section 207, and
10 subsections (a), (b), and (c) of section 209.”.

11 (d) SUBMISSION OF AUDITS.—Section 203(b)(3) of
12 the Education of the Deaf Act of 1986 (20 U.S.C.
13 4353(b)(3)) is amended—

14 (1) by inserting after “Secretary” the following:
15 “and the Committee on Education and Labor of the
16 House of Representatives and the Committee on
17 Health, Education, Labor, and Pensions of the Sen-
18 ate”; and

19 (2) by striking “or the institution authorized to
20 establish and operate the NTID under section
21 112(a)” and inserting “or RIT”.

22 (e) LIMITATIONS REGARDING EXPENDITURE OF
23 FUNDS.—Section 203(c)(2)(A) of the Education of the
24 Deaf Act of 1986 (20 U.S.C. 4353(c)(2)(A)) is amended
25 in the fifth sentence by striking “the Committee on Edu-

1 cation and Labor of the House of Representatives and the
2 Committee on Labor and Human Resources of the Sen-
3 ate” and inserting “the Committee on Education and
4 Labor of the House of Representatives and the Committee
5 on Health, Education, Labor, and Pensions of the Sen-
6 ate”.

7 **SEC. 907. REPORTS.**

8 (a) **TECHNICAL AMENDMENTS.**—Section 204 of the
9 Education of the Deaf Act of 1986 (20 U.S.C. 4354) is
10 amended in the matter preceding paragraph (1)—

11 (1) by striking “or other governing body of the
12 institution of higher education with which the Sec-
13 retary has an agreement under section 112” and in-
14 serting “of RIT”; and

15 (2) by striking “Committee on Education and
16 Labor of the House of Representatives and the Com-
17 mittee on Labor and Human Resources of the Sen-
18 ate” and inserting “Committee on Education and
19 Labor of the House of Representatives and the Com-
20 mittee on Health, Education, Labor, and Pensions
21 of the Senate”.

22 (b) **CONTENTS OF REPORT.**—Section 204 of the
23 Education of the Deaf Act of 1986 (20 U.S.C. 4354) is
24 amended—

1 (1) in paragraph (1), by striking “pre-
2 paratory,”;

3 (2) in paragraph (2)(C), by striking “upon
4 graduation/completion” and inserting “within one
5 year of graduation/completion”; and

6 (3) in paragraph (3)(B), by striking “of the in-
7 stitution of higher education with which the Sec-
8 retary has an agreement under section 112, includ-
9 ing specific schedules and analyses for all NTID
10 funds, as required under section 203” and inserting
11 “of RIT programs and activities”.

12 **SEC. 908. MONITORING, EVALUATION, AND REPORTING.**

13 Secti of the Education of the Deaf Act of 1986 (20
14 U.S.C. 4305) is amended in the first sentence by striking
15 “preparatory,”.

16 **SEC. 909. LIAISON FOR EDUCATIONAL PROGRAMS.**

17 Section 206(a) of the Education of the Deaf Act of
18 1986 (20 U.S.C. 4356(a)) is amended by striking “Not
19 later than 30 days after the date of enactment of this Act,
20 the” and inserting “The”.

21 **SEC. 910. FEDERAL ENDOWMENT PROGRAMS FOR GAL-**
22 **LAUDET UNIVERSITY AND THE NATIONAL**
23 **TECHNICAL INSTITUTE FOR THE DEAF.**

24 Section 207(a)(2) of the Education of the Deaf Act
25 of 1986 (20 U.S.C. 4357(a)(2)) is amended by striking

1 “or other governing body of the institution of higher edu-
2 cation with which the Secretary has an agreement under
3 section 112” and inserting “of RIT”.

4 **SEC. 911. OVERSIGHT AND EFFECT OF AGREEMENTS.**

5 Section 208(a) of the Education of the Deaf Act of
6 1986 (20 U.S.C. 4359(a)) is amended—

7 (1) by striking “the institution of higher edu-
8 cation with which the Secretary has an agreement
9 under part B of title I” and inserting “RIT”; and

10 (2) by striking “Committee on Labor and
11 Human Resources of the Senate and the Committee
12 on Education and the Workforce of the House of
13 Representatives” and inserting “Committee on Edu-
14 cation and Labor of the House of Representatives
15 and the Committee on Health, Education, Labor,
16 and Pensions of the Senate”.

17 **SEC. 912. INTERNATIONAL STUDENTS.**

18 (a) **ENROLLMENT.**—Section 209(a) of the Education
19 of the Deaf Act of 1986 (20 U.S.C. 4359a(a)) is amended
20 by striking “preparatory, undergraduate,” and inserting
21 “undergraduate”.

22 (b) **TUITION SURCHARGE.**—Section 209(b) of the
23 Education of the Deaf Act of 1986 (20 U.S.C. 4359a(b))
24 is amended by striking “preparatory, undergraduate” and
25 inserting “undergraduate”.

1 (c) DEFINITION.—Section 209(d) of the Education of
2 the Deaf Act of 1986 (20 U.S.C. 4359a(d)) is amended
3 by striking “1990 per capita income” and all that follows
4 and inserting “per-capita income of not more than \$5,125,
5 measured in 2002 United States dollars and adjusted by
6 the Secretary to reflect inflation since 2002.”.

7 **SEC. 913. RESEARCH PRIORITIES.**

8 Section 210(b) of the Education of the Deaf Act of
9 1986 (20 U.S.C. 4359b(b)) is amended by striking “Com-
10 mittee on Labor and Human Resources” and inserting
11 “Committee on Health, Education, Labor, and Pensions”.

12 **SEC. 914. AUTHORIZATION OF APPROPRIATIONS.**

13 (a) MONITORING AND EVALUATION ACTIVITIES.—
14 Section 205(e) of the Education of the Deaf Act of 1986
15 (20 U.S.C. 4355(e)) is amended by striking “fiscal years
16 1998 through 2003” and inserting “fiscal years 2008
17 through 2013”.

18 (b) FEDERAL ENDOWMENT PROGRAMS FOR GAL-
19 LAUDET UNIVERSITY AND THE NATIONAL TECHNICAL IN-
20 STITUTE FOR THE DEAF.—Section 207(h) of the Edu-
21 cation of the Deaf Act of 1986 (20 U.S.C. 4357(h)) is
22 amended in paragraphs (1) and (2) by striking “fiscal
23 years 1998 through 2003” each place it appears and in-
24 serting “fiscal years 2008 through 2013”.

1 (c) GENERAL AUTHORIZATION OF APPROPRIA-
2 TIONS.—Section 212 of the Education of the Deaf Act of
3 1986 (20 U.S.C. 4360a) is amended—

4 (1) in the matter preceding paragraph (1) in
5 subsection (a), by striking “fiscal years 1998
6 through 2003” and inserting “fiscal years 2008
7 through 2013”; and

8 (2) in subsection (b), by striking “fiscal years
9 1998 through 2003” and inserting “fiscal years
10 2008 through 2013”.

11 (d) SHORT TITLE.—

12 (1) IN GENERAL.—The Education of the Deaf
13 Act of 1986 (20 U.S.C. 4301 note) is amended by
14 striking the matter preceding title I and inserting
15 the following:

16 **“SECTION 1. SHORT TITLE.**

17 “This Act may be cited as the ‘Gallaudet University
18 and National Technical Institute for the Deaf Act’.”.

19 (2) OTHER REFERENCES.—Any reference in a
20 law, regulation, document, or other record of the
21 United States to the Education of the Deaf Act of
22 1986 shall be deemed to be a reference to the Gal-
23 laudet University and National Technical Institute
24 for the Deaf Act.

1 **PART B—ADDITIONAL EDUCATION LAWS**

2 **SEC. 921. AMENDMENT TO HIGHER EDUCATION AMEND-**
3 **MENTS OF 1998.**

4 (a) REPEALS OF EXPIRED AND EXECUTED PROVI-
5 SIONS.—The following provisions of the Higher Education
6 Amendments of 1998 are repealed:

7 (1) STUDY OF MARKET MECHANISMS IN FED-
8 ERAL STUDENT LOAN PROGRAMS.—Section 801 (20
9 U.S.C. 1018 note).

10 (2) STUDY OF FEASIBILITY OF ALTERNATE FI-
11 NANCIAL INSTRUMENTS FOR DETERMINING LENDER
12 YIELDS.—Section 802.

13 (3) STUDENT RELATED DEBT STUDY.—Section
14 803 (20 U.S.C. 1015 note).

15 (4) COMMUNITY SCHOLARSHIP MOBILIZA-
16 TION.—Part C of title VIII (20 U.S.C. 1070 note).

17 (5) INCARCERATED YOUTH.—Part D of title
18 VIII (20 U.S.C. 1151).

19 (6) IMPROVING UNITED STATES UNDER-
20 STANDING OF SCIENCE, ENGINEERING, AND TECH-
21 NOLOGY IN EAST ASIA.—Part F of title VIII (42
22 U.S.C. 1862 note).

23 (7) WEB-BASED EDUCATION COMMISSION.—
24 Part J of title VIII.

25 (b) EXTENSIONS OF AUTHORIZATIONS AND STUD-
26 IES.—

1 (1) TRANSFER OF CREDIT.—Section 804(b) of
2 such Act (20 U.S.C. 1099b note) is amended—

3 (A) by striking “one year after the date of
4 enactment of this Act” and inserting “Sep-
5 tember 30, 2008”; and

6 (B) by inserting “and policies of institu-
7 tions of higher education” after “agencies or
8 associations”.

9 (2) COHORT DEFAULT RATE STUDY.—Section
10 806 of such Act is amended—

11 (A) in subsection (a), by striking “higher
12 education at which less” and inserting “higher
13 education. The study shall also review the effect
14 of cohort default rates specifically on institu-
15 tions of higher education at which less”; and

16 (B) in subsection (c), by striking “Sep-
17 tember 30, 1999,” and inserting “September
18 30, 2008,”.

19 (3) UNDERGROUND RAILROAD.—Subsection (c)
20 of section 841 (20 U.S.C. 1153(c)) is amended to
21 read as follows:

22 “(c) AUTHORIZATION OF APPROPRIATIONS.—There
23 are authorized to be appropriated to carry out this section
24 \$3,000,000 for fiscal year 2008 and such sums as may
25 be necessary for each of the 5 succeeding fiscal years.”.

1 **SEC. 922. TRIBALLY CONTROLLED COLLEGE OR UNIVER-**
2 **SITY ASSISTANCE ACT OF 1978.**

3 (a) TITLE I AUTHORIZATION.—Section 110(a) of the
4 Tribally Controlled Community College or University As-
5 sistance Act of 1978 (25 U.S.C. 1810(a)) is amended—

6 (1) by striking “1999” each place it appears
7 and inserting “2008”; and

8 (2) by striking “4 succeeding” each place it ap-
9 pears and inserting “5 succeeding”.

10 (b) TITLE III REAUTHORIZATION.—Section 306(a)
11 of the Tribally Controlled Community College or Univer-
12 sity Assistance Act of 1978 (25 U.S.C. 1836(a)) is amend-
13 ed—

14 (1) by striking “1999” and inserting “2008”;
15 and

16 (2) by striking “4 succeeding” and inserting “5
17 succeeding”.

18 (c) TITLE IV REAUTHORIZATION.—Section 403 of
19 the Tribal Economic Development and Technology Re-
20 lated Education Assistance Act of 1990 (25 U.S.C. 1852)
21 is amended—

22 (1) by striking “1999” and inserting “2008”;
23 and

24 (2) by striking “4 succeeding” and inserting “5
25 succeeding”.

1 (d) ADDITIONAL AMENDMENTS.—The Tribally Con-
2 trolled Community College or University Assistance Act
3 of 1978 is further amended—

4 (1) in section 2(a)(6) (25 U.S.C. 1801(a)(6)),
5 by striking “in the field of Indian education” and in-
6 serting “in the field of Tribal Colleges and Univer-
7 sities and Indian higher education”;

8 (2) in section 2(b), by striking paragraph (5)
9 and inserting the following:

10 “(5) Eligible credits earned in a continuing
11 education program shall be determined as one credit
12 for every 10 contact hours for institutions on a
13 quarter system, and 15 contact hours for institu-
14 tions on a semester system, of participation in an or-
15 ganized continuing education experience under re-
16 sponsible sponsorship, capable direction, and quali-
17 fied instruction, as described in the criteria estab-
18 lished by the International Association for Con-
19 tinuing Education and Training, and may not exceed
20 20 percent of an institution’s total Indian student
21 count.”; and

22 (3) in section 103 (25 U.S.C. 1804), by striking
23 “and” at the end of paragraph (2), by striking the
24 period at the end of paragraph (3) and inserting “;

1 and”, and by inserting after paragraph (3) the fol-
2 lowing new paragraph:

3 “(4) has been accredited by a nationally recog-
4 nized accrediting agency or association determined
5 by the Secretary of Education to be a reliable au-
6 thority as to the quality of training offered, or is, ac-
7 cording to such an agency or association, making
8 reasonable progress toward accreditation.”.

9 **SEC. 923. NAVAJO COMMUNITY COLLEGE ACT.**

10 Section 5(a)(1) of the Navajo Community College Act
11 (25 U.S.C. 640c–1(a)(1)) is amended—

12 (1) by striking “1999” and inserting “2008”;

13 and

14 (2) by striking “4 succeeding” and inserting “5
15 succeeding”.

16 **SEC. 924. EDUCATION AMENDMENTS OF 1992.**

17 Section 1543(d) of the Education Amendments of
18 1992 (20 U.S.C. 1070 note) is amended—

19 (1) by striking “1999” and inserting “2008”;

20 and

21 (2) by striking “4 succeeding” and inserting “5
22 succeeding”.

1 **SEC. 925. STUDY OF STUDENT LEARNING OUTCOMES AND**
2 **PUBLIC ACCOUNTABILITY.**

3 (a) **STUDY REQUIRED.**—The Secretary shall provide
4 for the conduct a study of the best practices of States in
5 assessing undergraduate postsecondary student learning,
6 particularly as such practices relate to public account-
7 ability systems.

8 (b) **CHARACTERISTICS OF THE ASSOCIATION.**—Such
9 study shall be conducted by an association or organization
10 with specific expertise and knowledge in state practices
11 and access to necessary state officials (in this section re-
12 ferred to as the “association”). The association respon-
13 sible for the study under this section shall be a national,
14 non-partisan or bi-partisan entity representing States or
15 State officials with expertise in evaluative and qualitative
16 policy research for best practice models, the capacity to
17 convene experts, and to formulate policy recommenda-
18 tions.

19 (c) **REQUIRED SUBJECTS OF STUDY.**—In performing
20 the study, the association shall, at a minimum, examine
21 the following:

22 (1) The current status of institutional and state
23 efforts to embed student learning assessments into
24 the state-level public accountability frameworks.

25 (2) The extent to which there is commonality
26 among educators and accrediting agencies on learn-

1 ing standards for the associates and bachelors de-
2 grees.

3 (3) The reliability, rigor, and generalizability of
4 available instruments to assess general education at
5 the undergraduate level.

6 (4) Roles and responsibilities for public ac-
7 countability for student learning.

8 (d) CONSULTATION.—

9 (1) NATIONAL COMMITTEE.—The association
10 shall establish and consult with a national com-
11 mittee. The committee shall meet not less than twice
12 a year to review the research, identify best practice
13 models, and review recommendations.

14 (2) MEMBERSHIP.—The national advisory com-
15 mittee shall consist of a representative of the Sec-
16 retary of Education and individuals with expertise
17 in—

18 (A) State accountability systems;

19 (B) student learning assessments;

20 (C) student flow data;

21 (D) transitions between K–12 and higher
22 education; and

23 (E) Federal higher education policy.

1 representatives and the Committee on Health, Education,
2 Labor and Pensions of the Senate, and shall make the
3 report widely available to the public. Additional reports
4 may be periodically prepared and released as necessary.

5 **SEC. 927. INCREASE IN COLLEGE TEXTBOOK PRICES.**

6 (a) FINDINGS.—The Committee on Education and
7 Labor of the House of Representatives makes the fol-
8 lowing findings:

9 (1) The rising costs of higher education are
10 making a postsecondary education inaccessible for
11 many individuals.

12 (2) The rise in college textbook pricing contrib-
13 utes to the overall costs of higher education, and
14 many factors have contributed to the rise in text-
15 book pricing.

16 (b) SENSE OF THE COMMITTEE ON EDUCATION AND
17 LABOR.—It is the sense of the Committee on Education
18 and Labor of the House of Representatives that in order
19 to make a higher education more accessible for all stu-
20 dents, the following should occur to make college textbooks
21 more affordable for students:

22 (1) The Congress encourages textbook pub-
23 lishers to provide students with the option of buying
24 materials such as textbooks, CD-ROMs, access to

1 websites, and workbooks, “a la carte” or
2 “unbundled”.

3 (2) Textbook publishers should work with fac-
4 ulty to understand the cost to students of pur-
5 chasing the recommended textbooks.

6 (3) College bookstores should work with faculty
7 to review timelines and processes for ordering and
8 stocking selected textbooks, and disclose textbook
9 costs to faculty and students.

10 (4) Colleges and universities should be encour-
11 aged to implement numerous options to address
12 textbook affordability.

13 **SEC. 928. INDEPENDENT EVALUATION OF DISTANCE EDU-**
14 **CATION PROGRAMS.**

15 (a) INDEPENDENT EVALUATION.—The Secretary of
16 Education shall enter into an agreement with the National
17 Academy of Sciences to conduct a scientifically correct and
18 statistically valid evaluation of the quality of distance edu-
19 cation programs, as compared to campus-based education
20 programs, at institutions of higher education. Such eval-
21 uation shall include—

22 (1) identification of the elements by which the
23 quality of distance education, as compared to cam-
24 pus-based education, can be assessed, including ele-

1 ments such as subject matter, interactivity, and stu-
2 dent outcomes;

3 (2) identification of distance and campus-based
4 education program success, with respect to student
5 achievement, in relation to the mission of the insti-
6 tution of higher education; and

7 (3) identification of the types of students (in-
8 cluding classification of types of students based on
9 student age) who most benefit from distance edu-
10 cation programs, the types of students who most
11 benefit from campus-based education programs, and
12 the types of students who do not benefit from dis-
13 tance education programs, by assessing elements in-
14 cluding access to higher education, job placement
15 rates, undergraduate graduation rates, and graduate
16 and professional degree attainment rates.

17 (b) SCOPE.—The National Academy of Sciences shall
18 select for participation in the evaluation under subsection
19 (a) a diverse group of institutions of higher education with
20 respect to size, mission, and geographic distribution.

21 (c) INTERIM AND FINAL REPORTS.—The agreement
22 under subsection (a) shall require that the National Acad-
23 emy of Sciences submit to the Secretary of Education, the
24 Committee on Health, Education, Labor and Pensions of

1 the Senate, and the Committee on Education and Labor
2 of the House of Representatives—

3 (1) an interim report regarding the evaluation
4 under subsection (a) not later than December 31,
5 2008; and

6 (2) a final report regarding such evaluation not
7 later than December 31, 2009.

8 **SEC. 929. STUDY OF CAMPUS-BASED PROGRAM ALLOCA-**
9 **TION OF FUNDS.**

10 (a) **STUDY REQUIRED.**—The Comptroller General
11 shall conduct a study of the Federal Supplemental Edu-
12 cational Opportunity Grant program, the Federal Work-
13 Study program, and the Federal Perkins Loan program
14 (authorized by subpart 3 of part A, and parts C and E,
15 respectively, of title IV of the Higher Education Act of
16 1965)—

17 (1) to examine the procedure for allocating
18 funds to institutions;

19 (2) to compare among participating institutions
20 the amount of funds allocated and the amount of aid
21 awarded to students on a per-student basis under
22 these programs; and

23 (3) to suggest any modifications to the alloca-
24 tion procedures to ensure appropriate distribution of
25 funds under these programs.

1 (b) REPORT.—The Comptroller General shall submit
2 a report on the study required by subsection (a) within one
3 year of the date of enactment of this Act to the Committee
4 on Education and Labor of the House of Representatives
5 and the Committee on Health, Education, Labor, and
6 Pensions of the Senate.

7 **SEC. 930. SUMMIT ON SUSTAINABILITY.**

8 No later than May 2008, the Secretary of Education
9 shall convene a summit of higher education experts work-
10 ing in the area of sustainable operations and programs,
11 representatives from the agencies of the Federal Govern-
12 ment, and business and industry leaders to focus on ef-
13 forts of national distinction that—

14 (1) encourage faculty, staff, and students at in-
15 stitutions of higher education to establish both ad-
16 ministrative and educational sustainability programs
17 on campus;

18 (2) enhance research by faculty and students at
19 institutions of higher education in sustainability
20 practices and innovations that assist and improve
21 sustainability;

22 (3) encourage institutions of higher education
23 to work with community partners from the business,
24 government, and nonprofit sectors to design and im-

1 plement sustainability programs for application in
2 the community and workplace; and

3 (4) identify opportunities for partnerships in-
4 volving higher education institutions and the Federal
5 Government to expand sustainable operations and
6 academic programs focused on environmental and
7 economic sustainability.

8 **SEC. 931. STUDY OF RESIDENCY APPLICATIONS.**

9 (a) GAO STUDY REQUIRED.—The Comptroller Gen-
10 eral shall conduct a study to evaluate the decline, and any
11 causes thereof, in the number of individuals who have been
12 accepted into, or currently participate in, a graduate med-
13 ical education program or fellowship (or both) to provide
14 health care services that—

15 (1) requires more than 5 years of total grad-
16 uate medical training; and

17 (2) has fewer United States medical school
18 graduate applicants than total number of training
19 and fellowship positions.

20 (b) DEADLINE.—Not later than one year after the
21 date of enactment of this Act, the Comptroller General
22 shall submit a report on the study required by subsection
23 (a) to the Committee on Education and Labor of the
24 House of Representatives and the Committee on Health,
25 Education, Labor, and Pensions of the Senate, and shall

- 1 make the report widely available to the public. Additional
- 2 reports may be periodically prepared and released as nec-
- 3 essary.

