

108TH CONGRESS
1ST SESSION

H. R. 12

To make changes to the Higher Education Act of 1965 incorporating the results of the FED UP Initiative, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 7, 2003

Mr. MCKEON (for himself, Mr. BOEHNER, Mr. ISAKSON, Mr. PETRI, Mrs. MCCARTHY of New York, Mr. BALLENGER, Mr. SOUDER, Mr. KIND, Mr. TIBERI, Mr. KELLER, Mr. WU, Mr. OSBORNE, Mr. WILSON of South Carolina, and Mr. BOYD) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To make changes to the Higher Education Act of 1965 incorporating the results of the FED UP Initiative, and for other purposes.

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 “Fed Up Higher Education Technical Amendments Act
6 of 2003”.

7 (b) **TABLE OF CONTENTS.**—

Sec. 1. Short title; table of contents.

Sec. 2. Reference; effective date; implementation.

TITLE I—TECHNICAL AMENDMENTS

- Sec. 101. Technical amendments.
 Sec. 102. Clerical amendments.
 Sec. 103. Study of teacher preparation.

TITLE II—STUDENT LOAN FORGIVENESS

- Sec. 201. Cancellation of student loan indebtedness for spouses, surviving joint debtors, and parents.

TITLE III—OPPORTUNITIES FOR HIGHER EDUCATION VIA TELECOMMUNICATIONS

- Sec. 301. Exception to 50 percent correspondence course limitations.
 Sec. 302. Evaluation and report.

1 **SEC. 2. REFERENCE; EFFECTIVE DATE; IMPLEMENTATION.**

2 (a) REFERENCE.—Except as otherwise expressly pro-
 3 vided in this Act, whenever in this Act an amendment or
 4 repeal is expressed in terms of an amendment to, or repeal
 5 of, a section or other provision, the reference shall be con-
 6 sidered 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 (c) IMPLEMENTATION.—Sections 482(c) and 492 of
 12 the Higher Education Act of 1965 (20 U.S.C. 1089(c),
 13 1098a) shall not apply to the regulations implementing the
 14 amendments made by this Act.

15 **TITLE I—TECHNICAL**
 16 **AMENDMENTS**

17 **SEC. 101. TECHNICAL AMENDMENTS.**

18 (a) AMENDMENTS TO TITLE I.—

1 (1) Section 101(a)(1) (20 U.S.C. 1001(a)(1)) is
2 amended by inserting before the semicolon at the
3 end the following: “, or students who meet the re-
4 quirements of section 484(d)(3)”.

5 (2)(A) Section 102(a)(2)(A) (20 U.S.C.
6 1002(a)(2)(A)) is amended to read as follows:

7 “(A) IN GENERAL.—For the purpose of
8 qualifying as an institution under paragraph
9 (1)(C), the Secretary shall establish criteria by
10 regulation for the approval of institutions out-
11 side the United States and for the determina-
12 tion that such institutions are comparable to an
13 institution of higher education as defined in
14 section 101 (except that a graduate medical
15 school, or a veterinary school, located outside
16 the United States shall not be required to meet
17 the requirements of section 101(a)(4)). Such
18 criteria shall include a requirement that a stu-
19 dent attending such school outside the United
20 States is ineligible for loans made, insured, or
21 guaranteed under part B of title IV unless—

22 “(i) in the case of a graduate medical
23 school located outside the United States—

24 “(I)(aa) at least 60 percent of
25 those enrolled in, and at least 60 per-

1 cent of the graduates of, the graduate
2 medical school outside the United
3 States were not persons described in
4 section 484(a)(5) in the year pre-
5 ceding the year for which a student is
6 seeking a loan under part B of title
7 IV; and

8 “(bb) at least 60 percent of the
9 individuals who were students or
10 graduates of the graduate medical
11 school outside the United States or
12 Canada (both nationals of the United
13 States and others) taking the exami-
14 nations administered by the Edu-
15 cational Commission for Foreign Med-
16 ical Graduates received a passing
17 score in the year preceding the year
18 for which a student is seeking a loan
19 under part B of title IV; or

20 “(II) the institution has a clinical
21 training program that was approved
22 by a State as of January 1, 1992; or

23 “(ii) in the case of a veterinary school
24 located outside the United States that does
25 not meet the requirements of section

1 101(a)(4), the institution’s students com-
2 plete their clinical training at an approved
3 veterinary school located in the United
4 States.”.

5 (B) The amendment made by subparagraph (A)
6 shall be effective as if enacted on October 7, 1998.

7 (3) Section 102(a)(3)(A) (20 U.S.C.
8 1002(a)(3)(A)) is amended by striking “section
9 521(4)(C) of the Carl D. Perkins Vocational and
10 Applied Technology Education Act” and inserting
11 “section 3(3)(C) of the Carl D. Perkins Vocational
12 and Technical Education Act of 1998”.

13 (4) Paragraph (7) of section 103 (20 U.S.C.
14 1003) is amended to read as follows:

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

18 “(A) part B or part D of title IV means
19 an individual who on that date has no out-
20 standing balance of principal or interest owing
21 on any loan made, insured, or guaranteed under
22 either such part; and

23 “(B) part E of title IV means an indi-
24 vidual who on that date has no outstanding bal-

1 ance of principal or interest owing on any loan
2 made under such part.”.

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

4 (A) in subsection (a)(3)(A)(iii)—

5 (i) by striking “an undergraduate”
6 and inserting “a full-time undergraduate”;
7 and

8 (ii) in subclause (I), by striking “sec-
9 tion 428(a)(2)(C)(i)” and inserting “sec-
10 tion 428(a)(2)(C)(ii)”;

11 (B) in subsection (b), by striking “the
12 costs for typical” and inserting “the prices for,
13 and financial aid provided to, typical”;

14 (C) in subsection (c)(2)(B), by striking
15 “costs” and inserting “prices”; and

16 (D) in subsection (d)(1), by striking “3
17 years” and inserting “4 years”.

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

19 (A) in subsection (a)(2)(B)—

20 (i) by inserting “unit” after “to re-
21 duce the”; and

22 (ii) by inserting “and, to the extent
23 practicable, the total costs of administering
24 those programs” after “those programs”;

25 (B) in subsection (c)—

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

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

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

13 (C) in subsection (f)(3)(A), by striking
14 “paragraph (1)(A)” and inserting “paragraph
15 (1)”;

16 (D) in subsection (g)(3), by adding at the
17 end the following new sentence: “The names
18 and compensation for those individuals shall be
19 included in the annual report under subsection
20 (e)(2).”.

21 (b) AMENDMENTS TO TITLE II.—Section 207(f)(2)
22 (20 U.S.C. 1027(f)(2)) is amended by inserting “, includ-
23 ing by electronic means,” after “sent”.

24 (c) AMENDMENTS TO TITLE III.—

1 (1) Section 316(b)(3) (20 U.S.C. 1059c(b)(3))
2 is amended by striking “give” and inserting “given”.

3 (2) Section 326(e)(1) (20 U.S.C. 1063b(e)(1))
4 is amended, in the matter preceding subparagraph
5 (A), by inserting a colon after “the following”.

6 (3) Section 342(5)(C) (20 U.S.C. 1066a(5)(C))
7 is amended—

8 (A) by inserting a comma after “equip-
9 ment” the first place it appears; and

10 (B) by striking “technology,” and insert-
11 ing “technology.”

12 (4) Section 343(e) (20 U.S.C. 1066b(e)) is
13 amended by inserting after the subsection designa-
14 tion the following: “SALE OF QUALIFIED
15 BONDS.—”.

16 (5) Section 351(a) (20 U.S.C. 1067a(a)) is
17 amended by striking “of 1979”.

18 (6) Section 1024 (20 U.S.C. 1135b-3), as
19 transferred by section 301(a)(5) of the Higher Edu-
20 cation Amendments of 1998 (Public Law 105-244;
21 112 Stat. 1636), is repealed.

22 (d) AMENDMENTS TO PART A OF TITLE IV.—

23 (1) Section 402A (20 U.S.C. 1070a-11) is
24 amended—

25 (A) in subsection (e)—

1 (i) in paragraph (1), by striking
2 “(g)(2)” and inserting “(g)(4)”; and

3 (ii) in paragraph (2), by striking
4 “(g)(2)” and inserting “(g)(4)”; and
5 (B) in subsection (g)—

6 (i) by redesignating paragraphs (1)
7 through (4) as paragraphs (3) through (6),
8 respectively; and

9 (ii) by inserting before paragraph (3),
10 as redesignated, the following:

11 “(1) DIFFERENT CAMPUS.—The term ‘different
12 campus’ means an institutional site that—

13 “(A) is geographically apart from the main
14 campus of the institution;

15 “(B) is permanent in nature; and

16 “(C) offers courses in educational pro-
17 grams leading to a degree, certificate, or other
18 recognized educational credential.

19 “(2) DIFFERENT POPULATION.—The term ‘dif-
20 ferent population’ means a group of individuals, with
21 respect to whom an entity seeks to serve through an
22 application for funding under this chapter, that is—

23 “(A) separate and distinct from any other
24 population that the entity seeks to serve

1 through an application for funding under this
2 chapter; or

3 “(B) while sharing some of the same char-
4 acteristics as another population that the entity
5 seeks to serve through an application for fund-
6 ing under this chapter, has distinct needs for
7 specialized services.”.

8 (2)(A) Section 404A(b) (20 U.S.C. 1070a-
9 21(b)) is amended by adding at the end thereof the
10 following new paragraph:

11 “(3) DURATION.—An award made by the Sec-
12 retary under this chapter to an eligible entity de-
13 scribed in paragraph (1) or (2) of subsection (c)
14 shall be for the period of 6 years.”.

15 (B) The amendment made by subparagraph (A)
16 shall apply to awards made either before or after the
17 date of enactment of this Act.

18 (3) Section 407E (20 U.S.C. 1070a-35) is re-
19 designated as section 406E.

20 (4) Section 419C(b)(1) (20 U.S.C. 1070d-
21 33(b)(1)) is amended by inserting “and” after the
22 semicolon at the end thereof.

23 (5) Section 419D(d) (20 U.S.C. 1070d-34(d))
24 is amended by striking “Public Law 95-1134” and
25 inserting “Public Law 95-134”.

1 (e) AMENDMENTS TO PART B OF TITLE IV.—

2 (1) Section 428(a)(2)(A) (20 U.S.C.
3 1078(a)(2)(A)) is amended—

4 (A) by striking “and” at the end of sub-
5 clause (II) of clause (i); and

6 (B) by moving the margin of clause (iii)
7 two ems to the left.

8 (2) Section 428(b)(1)(G) (20 U.S.C.
9 1078(b)(1)(G)) is amended by inserting before the
10 semicolon at the end the following: “and 100 percent
11 of the unpaid principal amount of exempt claims as
12 defined in subsection (c)(1)(G)”.

13 (3) Section 428(c) (20 U.S.C. 1078(c)) is
14 amended—

15 (A) in paragraph (1)—

16 (i) by redesignating subparagraph (G)
17 as subparagraph (H), and moving such
18 subparagraph 2 em spaces to the left; and

19 (ii) by inserting after subparagraph
20 (F) the following new subparagraph:

21 “(G)(i) Notwithstanding any other provisions of
22 this section, in the case of exempt claims, the Sec-
23 retary shall apply the provisions of—

1 “(I) the fourth sentence of subparagraph
2 (A) by substituting ‘100 percent’ for ‘95 per-
3 cent’;

4 “(II) subparagraph (B)(i) by substituting
5 ‘100 percent’ for ‘85 percent’; and

6 “(III) subparagraph (B)(ii) by substituting
7 ‘100 percent’ for ‘75 percent’.

8 “(ii) For purposes of clause (i) of this subpara-
9 graph, the term ‘exempt claims’ means claims with
10 respect to loans for which it is determined that the
11 borrower (or the student on whose behalf a parent
12 has borrowed), without the lender’s or the institu-
13 tion’s knowledge at the time the loan was made, pro-
14 vided false or erroneous information or took actions
15 that caused the borrower or the student to be ineli-
16 gible for all or a portion of the loan or for interest
17 benefits thereon.”.

18 (B) in paragraph (3)(A)(i), by striking “in
19 writing”; and

20 (C) by adding at the end the following new
21 paragraph:

22 “(10) DOCUMENTATION OF FORBEARANCE
23 AGREEMENTS.—For the purposes of paragraph (3),
24 the terms of forbearance agreed to by the parties
25 shall be documented by confirming the agreement of

1 the borrower by notice to the borrower from the
2 lender, and by recording the terms in the borrower’s
3 file.”.

4 (4) Section 428C(a)(3)(B) (20 U.S.C. 1078–
5 3(a)(3)(B)) is amended by adding at the end the fol-
6 lowing new clause:

7 “(ii) Loans made under this section shall, to
8 the extent used to discharge loans made under this
9 title, be counted against the applicable limitations on
10 aggregate indebtedness contained in sections
11 425(a)(2), 428(b)(1)(B), 428H(d), 455, and
12 464(a)(2)(B).”.

13 (5) Section 428H(e) (20 U.S.C. 1078–8(e)) is
14 amended—

15 (A) by striking paragraph (6); and

16 (B) by redesignating paragraph (7) as
17 paragraph (6).

18 (6) Section 428I(g) (20 U.S.C. 1078–9(g)) is
19 amended by striking “Code,” and inserting “Code”.

20 (7) Section 432(m)(1)(B) (20 U.S.C.
21 1082(m)(1)(B)) is amended—

22 (A) in clause (i), by inserting “and” after
23 the semicolon at the end; and

24 (B) in clause (ii), by striking “; and” and
25 inserting a period.

1 (8) Section 439(d) (20 U.S.C. 1087–2(d)) is
2 amended—

3 (A) by striking paragraph (3); and

4 (B) by redesignating paragraphs (4) and
5 (5) as paragraphs (3) and (4), respectively.

6 (f) AMENDMENT TO PART D OF TITLE IV.—Section
7 457(a)(1) (20 U.S.C. 1087g(a)(1)) is amended by striking
8 “431” and inserting “437”.

9 (g) AMENDMENTS TO PART E OF TITLE IV.—

10 (1) Section 462(g)(1)(E)(i)(I) (20 U.S.C.
11 1087bb(g)(1)(E)(i)(I)) is amended by inserting
12 “monthly” after “consecutive”.

13 (2) Section 464(c)(1)(D) (20 U.S.C.
14 1087dd(c)(1)(D)) is amended by redesignating sub-
15 clauses (I) and (II) as clauses (i) and (ii), respec-
16 tively.

17 (3) Section 464(h)(1)(A) is amended—

18 (A) by inserting “, if practicable (as deter-
19 mined in accordance with regulations of the
20 Secretary),” after “the loan shall”; and

21 (B) by inserting “, if such loan is consid-
22 ered rehabilitated,” after “the Secretary)
23 shall”.

24 (4) Section 465(a)(2) (20 U.S.C. 1087ee(a)(2))
25 is amended—

1 (A) in subparagraph (A), by striking “sec-
2 tion 111(c)” and inserting “section
3 1113(a)(5)”; and

4 (B) in subparagraph (C), by striking
5 “With Disabilities” and inserting “with Disabil-
6 ities”.

7 (5) Section 467(b) (20 U.S.C. 1087gg(b)) is
8 amended by striking “(5)(A), (5)(B)(i), or (6)” and
9 inserting “(4)(A), (4)(B), or (5)”.

10 (6) Section 469(c) (20 U.S.C. 1087ii(c)) is
11 amended—

12 (A) by striking “sections 602(a)(1) and
13 672(1)” and inserting “sections 602(3) and
14 632(5)”;

15 (B) by striking “qualified professional pro-
16 vider of early intervention services” and insert-
17 ing “early intervention services”; and

18 (C) by striking “section 672(2)” and in-
19 serting “section 632(4)”.

20 (h) AMENDMENTS TO PART F OF TITLE IV.—

21 (1) Section 478(h) (20 U.S.C. 1087rr(h)) is
22 amended—

23 (A) by striking “476(b)(4)(B),”; and

24 (B) by striking “meals away from home,
25 apparel and upkeep, transportation, and house-

1 keeping services” and inserting “food away
2 from home, apparel, transportation, and house-
3 hold furnishings and operations”.

4 (2) Section 479A(a) (20 U.S.C. 1087tt(a)) is
5 amended—

6 (A) by striking “(a) IN GENERAL.—” and
7 inserting the following:

8 “(a) AUTHORITY TO MAKE ADJUSTMENTS.—

9 “(1) ADJUSTMENTS FOR SPECIAL CIR-
10 CUMSTANCES.—”;

11 (B) by inserting before “Special cir-
12 cumstances may” the following:

13 “(2) SPECIAL CIRCUMSTANCES DEFINED.—”;

14 (C) by inserting “a student’s status as a
15 ward of the court at any time prior to attaining
16 18 years of age,” after “487,”.

17 (D) by inserting before “Adequate docu-
18 mentation” the following:

19 “(3) DOCUMENTATION AND USE OF SUPPLE-
20 MENTARY INFORMATION.—”; and

21 (E) by inserting before “No student” the
22 following:

23 “(4) FEES FOR SUPPLEMENTARY INFORMATION
24 PROHIBITED.—”.

1 (i) AMENDMENTS TO PARTS G AND H OF TITLE
2 IV.—

3 (1) Section 483(d) (20 U.S.C. 1090(d)) is
4 amended by striking “that is authorized under sec-
5 tion 685(d)(2)(C)” and inserting “, or another ap-
6 propriate provider of technical assistance and infor-
7 mation on postsecondary educational services, that is
8 supported under section 685”.

9 (2) Section 484 (20 U.S.C. 1091) is amended—

10 (A) in subsection (a)(4), by striking “cer-
11 tification,,” and inserting “certification,”;

12 (B) in subsection (b)(2)—

13 (i) in the matter preceding subpara-
14 graph (A), by striking “section 428A” and
15 inserting “section 428H”;

16 (ii) in subparagraph (A), by inserting
17 “and” after the semicolon at the end
18 thereof;

19 (iii) in subparagraph (B), by striking
20 “; and” and inserting a period; and

21 (iv) by striking subparagraph (C); and

22 (C) in subsection (l)(1)(B)(i), by striking
23 “section 521(4)(C) of the Carl D. Perkins Vo-
24 cational and Applied Technology Education
25 Act” and inserting “section 3(3)(C) of the Carl

1 D. Perkins Vocational and Technical Education
2 Act of 1998”.

3 (3)(A) Section 484(r)(1) (20 U.S.C.
4 1091(r)(1)) is amended by striking everything pre-
5 ceding the table and inserting the following:

6 “(1) IN GENERAL.—A student who is convicted
7 of any offense under any Federal or State law in-
8 volving the possession or sale of a controlled sub-
9 stance for conduct that occurred during a period of
10 enrollment for which the student was receiving any
11 grant, loan, or work assistance under this title shall
12 not be eligible to receive such grant, loan, or work
13 assistance from the date of that conviction for the
14 period of time specified in the following table:”.

15 (B) The amendment made by subparagraph (A)
16 shall be effective on July 1, 2003.

17 (4)(A) Section 484B (20 U.S.C. 1091b) is
18 amended—

19 (i) in subsection (a)(1), by inserting “sub-
20 part 4 of part A or” after “received under”;

21 (ii) in subsection (a)(3)(B)(ii), by inserting
22 “(as determined in accordance with subsection
23 (d))” after “student has completed”;

24 (iii) in subsection (b)(2), by amending sub-
25 paragraph (C) to read as follows:

1 “(C) GRANT OVERPAYMENT REQUIRE-
2 MENTS.—

3 “(i) IN GENERAL.—Notwithstanding
4 subparagraphs (A) and (B), a student
5 shall only be required to return grant as-
6 sistance in the amount (if any) by which—

7 “(I) the amount to be returned
8 by the student (as determined under
9 subparagraphs (A) and (B)), exceeds

10 “(II) 50 percent of the total
11 grant assistance received by the stu-
12 dent under this title for the payment
13 period or period of enrollment.

14 “(ii) MINIMUM.—A student shall not
15 be required to return amounts of \$50 or
16 less.”; and

17 (iv) in subsection (d), by striking
18 “(a)(3)(B)(i)” and inserting “(a)(3)(B)”.

19 (B) The amendments made by subparagraph
20 (A) shall be effective for academic years beginning
21 on or after July 1, 2003, except that, in the case of
22 an institution of higher education that chooses to
23 implement such amendments prior to that date, such
24 amendments shall be effective on the date of such
25 institution’s implementation.

1 (5) Section 485(a)(1) (20 U.S.C. 1092(a)(1)) is
2 amended—

3 (A) in the second sentence, by striking
4 “mailings, and” and inserting “mailings, or”;

5 (B) by striking “and” at the end of sub-
6 paragraph (N);

7 (C) by striking the period at the end of
8 subparagraph (O) and inserting “; and”; and

9 (D) by adding at the end the following new
10 subparagraph:

11 “(P) the penalties contained in subsection
12 484(r) regarding suspension of eligibility for
13 drug related offenses.”.

14 (6) Section 485B(a) (20 U.S.C. 1092b(a)) is
15 amended—

16 (A) by redesignating paragraphs (6)
17 through (10) as paragraphs (7) through (11),
18 respectively;

19 (B) by redesignating the paragraph (5) (as
20 added by section 2008 of Public Law 101–239)
21 as paragraph (6); and

22 (C) in paragraph (5) (as added by section
23 204(3) of the National Community Service Act
24 of 1990 (Public Law 101–610))—

1 (i) by striking “(22 U.S.C. 2501 et
2 seq.),” and inserting “(22 U.S.C. 2501 et
3 seq.),”; and

4 (ii) by striking the period at the end
5 thereof and inserting a semicolon.

6 (7) Section 487(a) (20 U.S.C. 1094(a)) is
7 amended—

8 (A) in paragraph (22), by striking “refund
9 policy” and inserting “policy on the return of
10 title IV funds”; and

11 (B) in paragraph (23)—

12 (i) by moving subparagraph (C) two
13 em spaces to the left; and

14 (ii) by adding after such subpara-
15 graph the following new subparagraph:

16 “(D) An institution shall be considered in com-
17 pliance with the requirements of subparagraph (A)
18 for any student to whom the institution electroni-
19 cally transmits a message containing a voter reg-
20 istration form acceptable for use in the State in
21 which the institution is located, or an Internet ad-
22 dress where such a form can be downloaded, pro-
23 vided such information is in an electronic message
24 devoted to voter registration.”.

1 (8) Section 491(c) (20 U.S.C. 1098(c)) is
2 amended by adding at the end the following new
3 paragraph:

4 “(3) The appointment of members under subpara-
5 graphs (A) and (B) of paragraph (1) shall be effective
6 upon publication of the appointment in the Congressional
7 Record.”.

8 (9) Section 493A (20 U.S.C. 1098c) is re-
9 pealed.

10 (10) Section 498 (20 U.S.C. 1099c) is amend-
11 ed—

12 (A) in subsection (c)(2), by striking “for
13 profit,” and inserting “for-profit,”;

14 (B) in subsection (d)(1)(B), by inserting
15 “and” after the semicolon at the end thereof.

16 (j) AMENDMENTS TO TITLE V.—Section 504(a) (20
17 U.S.C. 1101c(a)) is amended—

18 (1) by striking the following:

19 “(a) AWARD PERIOD.—

20 “(1) IN GENERAL.—The Secretary”

21 and inserting the following:

22 “(a) AWARD PERIOD.—The Secretary”; and

23 (2) by striking paragraph (2).

24 (k) AMENDMENTS TO TITLE VII.—

1 (1) Section 714(c) (20 U.S.C. 1135c(c)) is
2 amended—

3 (A) by striking “section 716(a)” and in-
4 sserting “section 715(a)”; and

5 (B) by striking “section 714(b)(2)” and in-
6 sserting “section 713(b)(2)”.

7 (2) Section 721(e) (20 U.S.C. 1136(c)) is
8 amended—

9 (A) by striking “and” at the end of para-
10 graph (4);

11 (B) by striking the period at the end of
12 paragraph (5) and inserting a semicolon; and

13 (C) by adding at the end the following new
14 paragraphs:

15 “(6) to assist such students with the develop-
16 ment of analytical skills and study methods to en-
17 hance their success in entry into and completion of
18 law school; and

19 “(7) to award Thurgood Marshall Fellowships
20 to eligible law school students—

21 “(A) who participated in summer institutes
22 authorized by subsection (d) and who are en-
23 rolled in an accredited law school; or

24 “(B) who are eligible law school students
25 who have successfully completed a comparable

1 summer institute program certified by the
2 Council on Legal Educational Opportunity.”.

3 (1) AMENDMENT TO HIGHER EDUCATION AMEND-
4 MENTS OF 1998.—Section 422(d) of the Higher Edu-
5 cation Amendments of 1998 (Public Law 105–244; 112
6 Stat. 1696) is amended by striking “, and ending on Sep-
7 tember 30, 2002”.

8 **SEC. 102. CLERICAL AMENDMENTS.**

9 (a) DEFINITION.—Section 103 (20 U.S.C. 1003) is
10 amended—

11 (1) by redesignating paragraphs (1) through
12 (16) as paragraphs (2) through (17), respectively;
13 and

14 (2) by inserting before paragraph (2) (as so re-
15 designated) the following new paragraph:

16 “(1) AUTHORIZING COMMITTEES.—The term
17 ‘authorizing committees’ means the Committee on
18 Health, Education, Labor, and Pensions of the Sen-
19 ate and the Committee on Education and the Work-
20 force of the House of Representatives.”.

21 (b) COMMITTEES.—

22 (1) The following provisions are each amended
23 by striking “Committee on Labor and Human Re-
24 sources of the Senate and the Committee on Edu-
25 cation and the Workforce of the House of Rep-

1 representatives” and inserting “authorizing commit-
2 tees”:

3 (A) Section 131(a)(3)(B) (20 U.S.C.
4 1015(a)(3)(B)).

5 (B) Section 131(c)(4) (20 U.S.C.
6 1015(c)(4)).

7 (C) Section 206(d) (20 U.S.C. 1026(d)).

8 (D) Section 207(c)(1) (20 U.S.C.
9 1027(c)(1)).

10 (E) Section 428(g) (20 U.S.C. 1078(g)).

11 (F) Section 428A(a)(4) (20 U.S.C. 1078–
12 1(a)(4)).

13 (G) Section 428A(c)(2) (20 U.S.C. 1078–
14 1(c)(2)).

15 (H) Section 428A(c)(3) (20 U.S.C. 1078–
16 1(c)(3)).

17 (I) Section 428A(c)(5) (20 U.S.C. 1078–
18 1(c)(5)).

19 (J) Section 455(b)(8)(B) (20 U.S.C.
20 1087e(b)(8)(B)).

21 (K) Section 483(c) (20 U.S.C. 1090(c)).

22 (L) Section 486(e) (20 U.S.C. 1093(e)).

23 (M) Section 486(f)(3)(A) (20 U.S.C.
24 1093(f)(3)(A)).

1 (N) Section 486(f)(3)(B) (20 U.S.C.
2 1093(f)(3)(B)).

3 (O) Section 487A(a)(5) (20 U.S.C.
4 1094a(a)(5)).

5 (P) Section 487A(b)(2) (20 U.S.C.
6 1094a(b)(2)).

7 (Q) Section 487A(b)(3)(B) (20 U.S.C.
8 1094a(b)(3)(B)).

9 (R) Section 498B(d)(1) (20 U.S.C. 1099c–
10 2(d)(1)).

11 (S) Section 498B(d)(2) (20 U.S.C. 1099c–
12 2(d)(2)).

13 (2) The following provisions are each amended
14 by striking “Committee on Education and the Work-
15 force of the House of Representatives and the Com-
16 mittee on Labor and Human Resources of the Sen-
17 ate” and inserting “authorizing committees”.

18 (A) Section 141(d)(4)(B) (20 U.S.C.
19 1018(d)(4)(B)).

20 (B) Section 428(n)(4) (20 U.S.C.
21 1078(n)(4)).

22 (C) The last sentence of section 432(n) (20
23 U.S.C. 1082(n)).

24 (D) Section 485(f)(5)(A) (20 U.S.C.
25 1092(f)(5)(A)).

1 (E) Section 485(g)(4)(B) (20 U.S.C.
2 1092(g)(4)(B)).

3 (3) Section 206(a) (20 U.S.C. 1026(a)) is
4 amended by striking “, the Committee on Labor and
5 Human Resources of the Senate, and the Committee
6 on Education and the Workforce of the House of
7 Representatives” and inserting “and the authorizing
8 committees”.

9 (4) Section 401(f)(3) (20 U.S.C. 1070a(f)(3))
10 is amended by striking “Committee on Appropria-
11 tions and the Committee on Labor and Human Re-
12 sources of the Senate and the Committee on Appro-
13 priations and the Committee on Education and the
14 Workforce of the House of Representatives” and in-
15 serting “Committees on Appropriations of the Sen-
16 ate and House of Representatives and the author-
17 izing committees”.

18 (5) Section 428(c)(9)(K) (20 U.S.C.
19 1078(c)(9)(K)) is amended by striking “House Com-
20 mittee on Education and the Workforce and the
21 Senate Committee on Labor and Human Resources”
22 and inserting “authorizing committees”.

23 (6) Section 428I(h) (20 U.S.C. 1078–9(h)) is
24 amended by striking “Chairman of the Senate Labor
25 and Human Resources Committee and the House

1 Committee on Education and Labor” and inserting
2 “chairpersons of the authorizing committees”.

3 (7) Section 432(f)(1)(C) (20 U.S.C.
4 1082(f)(1)(C)) is amended by striking “Committee
5 on Education and the Workforce of the House of
6 Representatives or the Committee on Labor and
7 Human Resources of the Senate” and inserting “ei-
8 ther of the authorizing committees”.

9 (8) Section 439(d)(1)(E)(iii) (20 U.S.C. 1087-
10 2(d)(1)(E)(iii)) is amended by striking “Chairman
11 and the Ranking Member on the Committee on
12 Labor and Human Resources of the Senate and the
13 Chairman and the Ranking Member of the Com-
14 mittee on Education and Labor of the House of
15 Representatives” and inserting “chairpersons and
16 ranking minority members of the authorizing com-
17 mittees”.

18 (9) Paragraphs (3) and (8)(C) of section 439(r)
19 (20 U.S.C. 1087-2(r)) are each amended by striking
20 “Chairman and ranking minority member of the
21 Committee on Labor and Human Resources of the
22 Senate, the Chairman and ranking minority member
23 of the Committee on Education and Labor of the
24 House of Representatives,” and inserting “chair-

1 persons and ranking minority members of the au-
2 thorizing committees”.

3 (10) Paragraphs (5)(B) and (10) of section
4 439(r) (20 U.S.C. 1087–2(r)) are each amended by
5 striking “Chairman and ranking minority member of
6 the Senate Committee on Labor and Human Re-
7 sources and to the Chairman and ranking minority
8 member of the House Committee on Education and
9 Labor” and inserting “chairpersons and ranking mi-
10 nority members of the authorizing committees”.

11 (11) Section 439(r)(6)(B) (20 U.S.C. 1087–
12 2(r)(6)(B)) is amended by striking “Chairman and
13 ranking minority member of the Committee on
14 Labor and Human Resources of the Senate and to
15 the Chairman and ranking minority member of the
16 Committee on Education and Labor of the House
17 of Representatives” and inserting “chairpersons and
18 ranking minority members of the authorizing com-
19 mittees”.

20 (12) Section 439(s)(2)(A) (20 U.S.C. 1087–
21 2(s)(2)(A)) is amended by striking “Chairman and
22 Ranking Member of the Committee on Labor and
23 Human Resources of the Senate and the Chairman
24 and Ranking Member of the Committee on Eco-
25 nomic and Educational Opportunities of the House

1 of Representatives” and inserting “chairpersons and
2 ranking minority members of the authorizing com-
3 mittees”.

4 (13) Section 439(s)(2)(B) (20 U.S.C. 1087–
5 2(s)(2)(B)) is amended by striking “Chairman and
6 Ranking Minority Member of the Committee on
7 Labor and Human Resources of the Senate and
8 Chairman and Ranking Minority Member of the
9 Committee on Economic and Educational Opportu-
10 nities of the House of Representatives” and insert-
11 ing “chairpersons and ranking minority members of
12 the authorizing committees”.

13 (14) Section 482(d) (20 U.S.C. 1089(d)) is
14 amended by striking “Committee on Labor and
15 Human Resources of the Senate and the Committee
16 on Education and Labor of the House of Represent-
17 atives” and inserting “authorizing committees”.

18 (c) ADDITIONAL CLERICAL AMENDMENTS.—

19 (1) Clauses (i) and (ii) of section 425(a)(2)(A)
20 (20 U.S.C. 1075(a)(2)(A)) are each amended by
21 striking “428A or 428B” and inserting “428B or
22 428H”.

23 (2) Section 428(a)(2)(E) (20 U.S.C.
24 1078(a)(2)(E)) is amended by striking “428A or”.

1 (3) Clauses (i) and (ii) of section 428(b)(1)(B)
2 (20 U.S.C. 1078(b)(1)(B)) are each amended by
3 striking “428A or 428B” and inserting “428B or
4 428H”.

5 (4) Section 428(b)(1)(Q) (20 U.S.C.
6 1078(b)(1)(Q)) is amended by striking “sections
7 428A and 428B” and inserting “section 428B or
8 428H”.

9 (5) Section 428(b)(7)(C) (20 U.S.C.
10 1078(b)(7)(C)) is amended by striking “428A,
11 428B,” and inserting “428B”.

12 (6) Section 428G(e)(2) (20 U.S.C. 1078–
13 7(c)(2)) is amended by striking “428A” and insert-
14 ing “428H”.

15 (7) The heading for section 433(e) (20 U.S.C.
16 1083(e)) is amended by striking “SLS LOANS AND”.

17 (8) Section 433(e) (20 U.S.C. 1083(e)) is
18 amended by striking “428A, 428B,” and inserting
19 “428B”.

20 (9) Section 435(a)(3) (20 U.S.C. 1085(a)(3)) is
21 amended—

22 (A) by inserting “or” at the end of sub-
23 paragraph (A);

24 (B) by striking subparagraph (B); and

1 (C) by redesignating subparagraph (C) as
2 subparagraph (B).

3 (10) Section 435(d)(1)(G) (20 U.S.C.
4 1085(d)(1)(G)) is amended by striking “428A(d),
5 428B(d), 428C,” and inserting “428B(d), 428C,
6 428H,”.

7 (11) Section 435(m) (20 U.S.C. 1085(m)) is
8 amended—

9 (A) in paragraph (1)(A), by striking “,
10 428A,”; and

11 (B) in paragraph (2)(D), by striking
12 “428A” each place it appears and inserting
13 “428H”.

14 (12) Section 438(c)(6) (20 U.S.C. 1087–
15 1(c)(6)) is amended—

16 (A) by striking “SLS AND PLUS” in the
17 heading and inserting “PLUS”; and

18 (B) by striking “428A or”.

19 (13) Section 438(c)(7) (20 U.S.C. 1087–
20 1(c)(7)) is amended by striking “428A or”.

21 (14) Nothing in the amendments made by this
22 subsection shall be construed to alter the terms, con-
23 ditions, and benefits applicable to Federal supple-
24 mental loans for students (“SLS loans”) under sec-

1 tion 428A as in effect prior to July 1, 1994 (20
2 U.S.C. 1078–1).

3 **SEC. 103. STUDY OF TEACHER PREPARATION.**

4 Within six months after the date of enactment of this
5 Act, the Comptroller General shall conduct a study of and
6 submit to Congress a report on—

7 (1) which States and which institutions of high-
8 er education require passage on State teacher licen-
9 sure exams in order for candidates to be admitted
10 to a teacher preparation program or to declare an
11 education major;

12 (2) which States and which institutions of high-
13 er education award diplomas, degrees, or other cer-
14 tificates to students in any subject area, but subse-
15 quently only consider them to have successfully com-
16 pleted a teacher preparation or other education pro-
17 gram if they pass one or more State licensure
18 exams;

19 (3) which States and which institutions of high-
20 er education award diplomas, degrees, or other cer-
21 tificates to students in education or teaching, but
22 subsequently only consider them to have successfully
23 completed a teacher preparation or education pro-
24 gram if they pass one or more State licensure
25 exams;

1 (4) the extent to which States and institutions
 2 of higher education, through means other than (1),
 3 (2), or (3), are, for the purposes of section
 4 207(f)(1)(A) of the Higher Education Act of 1965
 5 (20 U.S.C. 1027(f)(1)(A)), treating as completing
 6 their teacher preparation programs only those stu-
 7 dents who pass State teacher licensure or certifi-
 8 cation assessments;

9 (5) the extent to which the practices described
 10 in paragraphs (1) through (4) may mislead or in-
 11 completely inform students and policymakers con-
 12 cerning the quality of such teacher preparation pro-
 13 grams; and

14 (6) what assistance, if any, the States or insti-
 15 tutions described in paragraphs (1) through (4) give
 16 to enrolled students and graduates who take but do
 17 not pass one or more teacher licensing exams.

18 **TITLE II—STUDENT LOAN** 19 **FORGIVENESS**

20 **SEC. 201. CANCELLATION OF STUDENT LOAN INDEBTED-** 21 **NESS FOR SPOUSES, SURVIVING JOINT DEBT-** 22 **ORS, AND PARENTS.**

23 (a) DEFINITIONS.—For purposes of this section:

24 (1) ELIGIBLE PUBLIC SERVANT.—The term “el-
 25 igible public servant” means an individual who—

1 (A) served as a police officer, firefighter,
2 other safety or rescue personnel, or as a mem-
3 ber of the Armed Forces; and

4 (B) died (or dies) or became (or becomes)
5 permanently and totally disabled due to injuries
6 suffered in the terrorist attack on September
7 11, 2001;

8 as determined in accordance with regulations of the
9 Secretary.

10 (2) ELIGIBLE VICTIM.—The term “eligible vic-
11 tim” means an individual who died (or dies) or be-
12 came (or becomes) permanently and totally disabled
13 due to injuries suffered in the terrorist attack on
14 September 11, 2001, as determined in accordance
15 with regulations of the Secretary.

16 (3) ELIGIBLE PARENT.—The term “eligible
17 parent” means the parent of an eligible victim if—

18 (A) the parent owes a Federal student loan
19 that is a consolidation loan that was used to
20 repay a PLUS loan incurred on behalf of such
21 eligible victim; or

22 (B) the parent owes a Federal student loan
23 that is a PLUS loan incurred on behalf of an
24 eligible victim who became (or becomes) perma-
25 nently and totally disabled due to injuries suf-

1 ferred in the terrorist attack on September 11,
2 2001.

3 (4) SECRETARY.—The term “Secretary” means
4 the Secretary of Education.

5 (5) FEDERAL STUDENT LOAN.—The term
6 “Federal student loan” means any loan made, in-
7 sured, or guaranteed under part B, D, or E of title
8 IV of the Higher Education Act of 1965.

9 (b) RELIEF FROM INDEBTEDNESS.—

10 (1) IN GENERAL.—The Secretary shall provide
11 for the discharge or cancellation of—

12 (A) the Federal student loan indebtedness
13 of the spouse of an eligible public servant, as
14 determined in accordance with regulations of
15 the Secretary, including any consolidation loan
16 that was used jointly by the eligible public serv-
17 ant and his or her spouse to repay the Federal
18 student loans of the spouse and the eligible
19 public servant;

20 (B) the portion incurred on behalf of the
21 eligible victim (other than an eligible public
22 servant), of a Federal student loan that is a
23 consolidation loan that was used jointly by the
24 eligible victim and his or her spouse, as deter-
25 mined in accordance with regulations of the

1 Secretary, to repay the Federal student loans of
2 the eligible victim and his or her spouse;

3 (C) the portion of the consolidation loan
4 indebtedness of an eligible parent that was in-
5 curred on behalf of an eligible victim; and

6 (D) the PLUS loan indebtedness of an eli-
7 gible parent that was incurred on behalf of an
8 eligible victim.

9 (2) METHOD OF DISCHARGE OR CANCELLA-
10 TION.—A loan required to be discharged or canceled
11 under paragraph (1) shall be discharged or canceled
12 by the method used under section 437(a), 455(a)(1),
13 or 464(c)(1)(F) of the Higher Education Act of
14 1965 (20 U.S.C. 1087(a), 1087e(a)(1),
15 1087dd(c)(1)(F)), whichever is applicable to such
16 loan.

17 (c) FACILITATION OF CLAIMS.—The Secretary
18 shall—

19 (1) establish procedures for the filing of appli-
20 cations for discharge or cancellation under this sec-
21 tion by regulations that shall be prescribed and pub-
22 lished within 90 days after the date of enactment of
23 this Act and without regard to the requirements of
24 section 553 of title 5, United States Code; and

1 (2) take such actions as may be necessary to
 2 publicize the availability of discharge or cancellation
 3 of Federal student loan indebtedness under this sec-
 4 tion.

5 (d) AVAILABILITY OF FUNDS FOR PAYMENTS.—
 6 Funds available for the purposes of making payments to
 7 lenders in accordance with section 437(a) for the dis-
 8 charge of indebtedness of deceased or disabled individuals
 9 shall be available for making payments under section
 10 437(a) to lenders of loans as required by this section.

11 (e) APPLICABLE TO OUTSTANDING DEBT.—The pro-
 12 visions of this section shall be applied to discharge or can-
 13 cel only Federal student loans (including consolidation
 14 loans) on which amounts were owed on September 11,
 15 2001. Nothing in this section shall be construed to author-
 16 ize any refunding of any repayment of a loan.

17 **TITLE III—OPPORTUNITIES FOR**
 18 **HIGHER EDUCATION VIA**
 19 **TELECOMMUNICATIONS**

20 **SEC. 301. EXCEPTION TO 50 PERCENT CORRESPONDENCE**
 21 **COURSE LIMITATIONS.**

22 (a) DEFINITION OF INSTITUTION OF HIGHER EDU-
 23 CATION FOR TITLE IV PURPOSES.—Section 102(a) (20
 24 U.S.C. 1002(a)) is amended by adding at the end the fol-
 25 lowing new paragraph:

1 “(7) EXCEPTION TO LIMITATION BASED ON
2 COURSE OF STUDY.—

3 “(A) EXCEPTION.—Courses offered via
4 telecommunications (as defined in section
5 484(l)(4)) shall not be considered to be cor-
6 respondence courses for purposes of subpara-
7 graph (A) or (B) of paragraph (3) for any insti-
8 tution that—

9 “(i) is participating in either or both
10 of the loan programs under part B or D of
11 title IV on the date of enactment of the
12 Fed Up Higher Education Technical
13 Amendments Act of 2003;

14 “(ii) has a cohort default rate (as de-
15 termined under section 435(m)) for each of
16 the 3 most recent fiscal years for which
17 data are available that is less than 10 per-
18 cent; and

19 “(iii)(I) has notified the Secretary, in
20 a form and manner prescribed by the Sec-
21 retary (including such information as the
22 Secretary may require to meet the require-
23 ments of subclause (II)), of the election by
24 such institution to qualify as an institution

1 of higher education by means of the provi-
2 sions of this paragraph; and

3 “(II) the Secretary has not, within 90
4 days after such notice, and the receipt of
5 any information required under subclause
6 (i), notified the institution that the election
7 by such institution would pose a significant
8 risk to Federal funds and the integrity of
9 programs under title IV.

10 “(B) LOSS OF ELIGIBILITY FOR COHORT
11 DEFAULT RATE.—If an institution qualifies for
12 the exception provided by subparagraph (A),
13 but has a cohort default rate for a subsequent
14 fiscal year that equals or exceeds 10 percent,
15 such institution shall cease to be qualified for
16 such exception at the end of the award year in
17 which that cohort default rate was released.”.

18 (b) DEFINITION OF ELIGIBLE STUDENT.—Section
19 484(l)(1) (20 U.S.C. 1091(l)(1)) is amended by adding
20 at the end the following new subparagraph:

21 “(C) EXCEPTION TO 50 PERCENT LIMITA-
22 TION.—

23 “(i) EXCEPTION.—Notwithstanding
24 the 50 percent limitation in subparagraph
25 (A), a student enrolled in a course of in-

1 instruction described in such subparagraph
2 shall not be considered to be enrolled in
3 correspondence courses if the student is
4 enrolled in an institution that—

5 “(I) is participating in either or
6 both of the loan programs under part
7 B or D of title IV on the date of en-
8 actment of the Fed Up Higher Edu-
9 cation Technical Amendments Act of
10 2003;

11 “(II) has a cohort default rate
12 (as determined under section 435(m))
13 for each of the 3 most recent fiscal
14 years for which data are available that
15 is less than 10 percent; and

16 “(III)(aa) has notified the Sec-
17 retary, in form and manner prescribed
18 by the Secretary (including such in-
19 formation as the Secretary may re-
20 quire to meet the requirements of sub-
21 clause (II)), of the election by such in-
22 stitution to qualify its students as eli-
23 gible students by means of the provi-
24 sions of this subparagraph; and

1 “(bb) the Secretary has not,
2 within 90 days after such notice, and
3 the receipt of any information re-
4 quired under subclause (I), notified
5 the institution that the election by
6 such institution would pose a signifi-
7 cant risk to Federal funds and the in-
8 tegrity of programs under title IV.

9 “(ii) LOSS OF ELIGIBILITY FOR CO-
10 HORT DEFAULT RATE.—If an institution
11 qualifies for the exception provided by
12 clause (i), but has a cohort default rate for
13 a subsequent fiscal year that equals or ex-
14 ceeds 10 percent, such institution shall
15 cease to be qualified for such exception at
16 the end of the award year in which that co-
17 hort default rate was released.”.

18 **SEC. 302. EVALUATION AND REPORT.**

19 (a) INFORMATION FROM INSTITUTIONS.—

20 (1) INSTITUTIONS COVERED BY REQUIRE-
21 MENT.—The requirements of paragraph (2) apply to
22 any institution of higher education that has notified
23 the Secretary of Education of an election to qualify
24 for the exception to limitation based on course of
25 study in section 102(a)(7) of the Higher Education

1 Act of 1965 (20 U.S.C. 1002(a)(7)) or the exception
2 to the 50 percent limitation in section 484(l)(1)(C)
3 of such Act (20 U.S.C. 1091(l)(1)(C)).

4 (2) REQUIREMENTS.—Any institution of higher
5 education to which this paragraph applies shall com-
6 ply, on a timely basis, with the Secretary of Edu-
7 cation’s reasonable requests for information on
8 changes in—

9 (A) the amount or method of instruction
10 offered;

11 (B) the types of programs or courses of-
12 fered;

13 (C) enrollment by type of program or
14 course;

15 (D) the amount and types of grant, loan,
16 or work assistance provided under title IV of
17 the Higher Education Act of 1965 that is re-
18 ceived by students enrolled in programs con-
19 ducted in nontraditional formats; and

20 (E) outcomes for students enrolled in such
21 courses or programs.

22 (b) REPORT BY SECRETARY REQUIRED.—The Sec-
23 retary of Education shall conduct by grant or contract a
24 study of, and by March 31, 2005, submit to the Congress,
25 a report on—

1 (1) the effect that the amendments made by
2 section 301 of this Act have had on—

3 (A) the ability of institutions of higher
4 education to provide distance learning opportu-
5 nities to students; and

6 (B) program integrity;

7 (2) with respect to distance education or cor-
8 respondence education courses at institutions of
9 higher education to which the information require-
10 ments of subsection (a)(2) apply, changes from year-
11 to-year in—

12 (A) the amount or method of instruction
13 offered and the types of programs or courses of-
14 fered;

15 (B) the number and type of students en-
16 rolled in distance education or correspondence
17 education courses;

18 (C) the amount of student aid provided to
19 such students, in total and as a percentage of
20 the institution's revenue; and

21 (D) outcomes for students enrolled in dis-
22 tance education or correspondence education
23 courses, including graduation rates, job place-
24 ment rates, and loan delinquencies and defaults;
25 and

1 (3) any further improvements that should be
2 made to the provisions amended by section 301 of
3 this Act (and related provisions), in order to accom-
4 modate nontraditional educational opportunities in
5 the Federal student assistance programs while en-
6 suring the integrity of those programs.

○