Senators and staff should be alerted that we may have to work weekends. I say plural because it is according to where we are on the procedural matters.

This weekend, I know there is a big trip planned to go to Greenland, and we certainly hope Senators can go there. It is something everyone needs to see and Senators need to see, with global warming being as it is. We will do our best to complete work so that people can have the weekend off to go to Greenland and to do whatever they need to do. But there are no guarantees in this business, especially at this time of the year. We worked all night one night last week, we worked until early in the morning one night, and that may be necessary this week and next week. I hope we can break in time for our recess, but, again, as I have said now for weeks, we have to finish this work first.

I hope people who have amendments on this bill today will come and start offering them. We are going to make sure that all quorum time is charged against the bill itself so we can finish that time. The time, we are going to finish today; the amendments, we hope to finish today.

HIGHER EDUCATION AMENDMENTS OF 2007

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will proceed to the consideration of S. 1642, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1642) to extend the authorization programs under the Higher Education Act of 1965, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Health, Education, Labor, and Pensions, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Higher Education Amendments of 2007''.

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

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

TITLE I—GENERAL PROVISIONS

Sec. 101. Additional definitions.
Sec. 102. General definition of institution of higher education.
Sec. 103. Definition of institution of higher education for purposes of title IV programs.
Sec. 104. Protection of student speech and association rights.
Sec. 105. Accreditation and Institutional Quality and Integrity Advisory Committee.
Sec. 106. Drug and alcohol abuse prevention.
Sec. 107. Prior rights and obligations.
Sec. 108. Transparency in college tuition for consumers.
Sec. 109. Databases of student information prohibited.
Sec. 110. Clear and easy-to-find information on student financial aid.
Sec. 111. Performance-based organization for the delivery of Federal student financial assistance.
Sec. 112. Procurement flexibility.
Sec. 113. Institution and lender reporting and disclosure requirements.

TITLE II—TEACHER QUALITY ENHANCEMENT

Sec. 201. Teacher quality partnership grants.
Sec. 202. General provisions.

TITLE III—INSTITUTIONAL AID

Sec. 301. Program purpose.
Sec. 302. Definitions; eligibility.
Sec. 303. American Indian tribally controlled colleges and universities.
Sec. 304. Alaska Native and Native Hawaiian-serving institutions.
Sec. 305. Native American-serving, nontribal institutions.
Sec. 306. Part B definitions.
Sec. 307. Grants to institutions.
Sec. 308. Allotments to institutions.
Sec. 309. Professional or graduate institutions.
Sec. 310. Authority of the Secretary.
Sec. 311. Authorization of appropriations.
Sec. 312. Technical corrections.

TITLE IV—STUDENT ASSISTANCE

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

Sec. 401. Federal Pell Grants.
Sec. 402. Academic competitiveness grants.
Sec. 403. Federal Trio Programs.
Sec. 404. Gaining early awareness and readiness for undergraduate programs.
Sec. 405. Academic achievement incentive scholarships.
Sec. 406. Federal supplemental educational opportunity grants.
Sec. 407. Leveraging Educational Assistance Partnership program.
Sec. 408. Special programs for students whose families are engaged in migrant and seasonal farmwork.
Sec. 409. Robert C. Byrd Honors Scholarship Program.
Sec. 410. Child care access means parents in school.
Sec. 411. Learning anytime anywhere partnerships.

PART B—FEDERAL FAMILY EDUCATION LOAN PROGRAM

Sec. 421. Federal payments to reduce student interest costs.
Sec. 422. Federal Consolidation Loans.
Sec. 423. Default Reduction Program.
Sec. 424. Reports to consumer reporting agencies and institutions of higher education.
Sec. 425. Common forms and formats.
Sec. 426. Student loan information by eligible lenders.
Sec. 427. Consumer education information.
Sec. 428. Definition of eligible lender.
Sec. 429. Discharge and cancellation rights in cases of disability.

PART C—FEDERAL WORK-STUDY PROGRAMS

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

PART D—FEDERAL PERKINS LOANS

Sec. 451. Program authority.
Sec. 452. Cancellation of loans for certain public service.

PART E—NEED ANALYSIS

Sec. 461. Cost of attendance.
Sec. 462. Definitions.

PART F—GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE

Sec. 471. Definitions.
Sec. 472. Compliance calendar.
Sec. 473. Forms and regulations.
Sec. 474. Student eligibility.
Sec. 475. Statute of limitations and State court judgments.
Sec. 476. Institutional refunds.
Sec. 477. Institutional and financial assistance information for students.
Sec. 478. Entrance counseling required.
Sec. 479. National Student Loan Data System.
Sec. 480. Early awareness of financial aid eligibility.
Sec. 481. Program participation agreements.
Sec. 482. Regulatory relief and improvement.
Sec. 483. Transfer of allotments.
Sec. 484. Purpose of administrative payments.
Sec. 485. Advisory Committee on student financial assistance.
Sec. 486. Regional meetings.
Sec. 487. Year 2000 requirements at the Department.

PART G—PROGRAM INTEGRITY

Sec. 491. Recognition of accrediting agency or association.
Sec. 492. Administrative capacity standard.
Sec. 493. Program review and data.
Sec. 494. Timely information about loans.
Sec. 495. Auction evaluation and report.

TITLE V—DEVELOPING INSTITUTIONS

Sec. 501. Authorized activities.
Sec. 502. Postbaccalaureate opportunities for Hispanic Americans.
Sec. 503. Applications.
Sec. 504. Cooperative arrangements.
Sec. 505. Authorization of appropriations.

TITLE VI—INTERNATIONAL EDUCATION PROGRAMS

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

TITLE VII—GRADUATE AND POSTSECONDARY IMPROVEMENT PROGRAMS

Sec. 701. Purpose.
Sec. 702. Allocation of Jacob K. Javits Fellowships.
Sec. 703. Stipends.
Sec. 704. Authorization of appropriations for the Jacob K. Javits Fellowship Program.
Sec. 705. Institutional eligibility under the Graduate Assistance in Areas of National Need Program.
Sec. 706. Awards to graduate students.

Sec. 707. Additional assistance for cost of education.
Sec. 708. Authorization of appropriations for the Graduate Assistance in Areas of National Need Program.
Sec. 709. Legal educational opportunity program.
Sec. 710. Fund for the improvement of postsecondary education.
Sec. 711. Special projects.
Sec. 712. Authorization of appropriations for the fund for the improvement of postsecondary education.
Sec. 713. Repeal of the urban community service program.
Sec. 714. Grants for students with disabilities.
Sec. 715. Applications for demonstration projects to ensure students with disabilities receive a quality higher education.
Sec. 716. Authorization of appropriations for demonstration projects to ensure students with disabilities receive a quality higher education.
Sec. 717. Research grants.

TITLE VIII—MISCELLANEOUS

Sec. 801. Miscellaneous.

TITLE IX—AMENDMENTS TO OTHER LAWS

PART A—EDUCATION OF THE DEAF ACT OF 1986

Sec. 901. Laurent Clerc National Deaf Education Center.
Sec. 902. Agreement with Gallaudet University.
Sec. 903. Agreement for the National Technical Institute for the Deaf.
Sec. 904. Cultural experiences grants.
Sec. 905. Audit.
Sec. 906. Reports.
Sec. 907. Monitoring, evaluation, and reporting.
Sec. 908. Liaison for educational programs.
Sec. 909. Federal endowment programs for Gallaudet University and the National Technical Institute for the Deaf.
Sec. 910. Oversight and effect of agreements.
Sec. 911. International students.
Sec. 912. Research priorities.
Sec. 913. Authorization of appropriations.

PART B—UNITED STATES INSTITUTE OF PEACE ACT

Sec. 921. United States Institute of Peace Act.

PART C—THE HIGHER EDUCATION AMENDMENTS OF 1998

Sec. 931. Repeals.
Sec. 932. Grants to States for workplace and community transition training for incarcerated youth offenders.
Sec. 933. Underground railroad educational and cultural program.
Sec. 934. Olympic scholarships under the Higher Education Amendments of 1992.

PART D—INDIAN EDUCATION

SUBPART 1—TRIBAL COLLEGES AND UNIVERSITIES

Sec. 941. Reauthorization of the Tribally Controlled College or University Assistance Act of 1978.

SUBPART 2—NAVAJO HIGHER EDUCATION

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

SEC. 2. REFERENCES.

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

SEC. 3. GENERAL EFFECTIVE DATE.

Except as otherwise provided in this Act or the amendments made by this Act, the amendments made by this Act shall take effect on the date of enactment of this Act.

TITLE I—GENERAL PROVISIONS

SEC. 101. ADDITIONAL DEFINITIONS.

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

(1) by redesignating paragraphs (9) through (16) as paragraphs (13) through (20); respectively;

(2) by redesignating paragraphs (4) through (8) as paragraphs (7) through (11), respectively;

(3) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (4), and (5), respectively;

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

''(1) AUTHORIZING COMMITTEES.—The term 'authorizing committees' means the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives.'';

(5) by inserting after paragraph (2) (as redesignated by paragraph (3)) the following:

''(3) CRITICAL FOREIGN LANGUAGE.—The term 'critical foreign language' means each of the languages contained in the list of critical languages designated by the Secretary in the Federal Register on August 2, 1985 (50 Fed. Reg. 149, 31412; promulgated under the authority of section 212(d) of the Education for Economic Security Act (repealed by section 2303 of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988)), except that in the implementation of this definition with respect to a specific title, the Secretary may set priorities according to the purposes of such title and the national security, economic competitiveness, and educational needs of the United States.'';

(6) by inserting after paragraph (5) (as redesignated by paragraph (3)) the following:

''(6) DISTANCE EDUCATION.—

''(A) IN GENERAL.—Except as otherwise provided, the term 'distance education' means education that uses 1 or more of the technologies described in subparagraph (B)—

''(i) to deliver instruction to students who are separated from the instructor; and

''(ii) to support regular and substantive interaction between the students and the instructor, synchronously or asynchronously.

''(B) INCLUSIONS.—For the purposes of subparagraph (A), the technologies used may include—

''(i) the Internet;

''(ii) one-way and two-way transmissions through open broadcast, closed circuit, cable, microwave, broadband lines, fiber optics, satellite, or wireless communications devices;

''(iii) audio conferencing; or

''(iv) video cassette, DVDs, and CD-ROMs, if the cassette, DVDs, and CD-ROMs are used in a course in conjunction with the technologies listed in clauses (i) through (iii).''; and

(7) by inserting after paragraph (11) (as redesignated by paragraph (2)) the following:

''(12) POVERTY LINE.—The term 'poverty line' means the poverty line (as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.''.

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

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

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

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

(4) in section 428 (20 U.S.C. 1078)—

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

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

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

(5) in section 428A(c) (20 U.S.C. 1078–1(c))—

(A) in the matter preceding subparagraph (A) of paragraph (2), by striking ''Chairperson'' and all that follows through ''House of Representatives'' and inserting ''members of the authorizing committees'';

(B) in paragraph (3), by striking ''Chairperson'' and all that follows through ''House of Representatives'' and inserting ''members of the authorizing committees''; and

(C) in paragraph (5), by striking ''Chairperson'' and all that follows through ''House of Representatives'' and inserting ''members of the authorizing committees'';

(6) in section 432 (20 U.S.C. 1082)—

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

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

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

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

(A) in subsection (d)(1)(E)(iii), by striking ''advise the Chairman'' and all that follows through ''House of Representatives'' and inserting ''advise the members of the authorizing committees'';

(B) in subsection (r)—

(i) in paragraph (3), by striking ''inform the Chairman'' and all that follows through ''House of Representatives,'' and inserting ''inform the members of the authorizing committees'';

(ii) in paragraph (5)(B), by striking ''plan, to the Chairman'' and all that follows through ''Education and Labor'' and inserting ''plan, to the members of the authorizing committees'';

(iii) in paragraph (6)(B)—

(I) by striking ''plan, to the Chairman'' and all that follows through ''House of Representatives'' and inserting ''plan, to the members of the authorizing committees''; and

(II) by striking ''Chairmen and ranking minority members of such Committees'' and inserting ''members of the authorizing committees'';

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

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

(C) in subsection (s)(2)—

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

(ii) in subparagraph (B), by striking ''Treasury and to the Chairman'' and all that follows

through ''House of Representatives'' and inserting ''Treasury and to the members of the authorizing committees'';

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

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

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

(12) in section 485 (20 U.S.C. 1092)—

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

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

(13) in section 486 (20 U.S.C. 1093)—

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

(B) in subsection (f)(3)—

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

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

(14) in section 487A(a)(5) (20 U.S.C. 1094a(a)(5)), by striking ''Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives'' and inserting ''authorizing committees''; and

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

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

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

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

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

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

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

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

''(A) who are beyond the age of compulsory school attendance in the State in which the institution is located; or

''(B) who will be dually or concurrently enrolled in the institution and a secondary school.''.

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

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

(1) by striking subclause (II) of subsection (a)(2)(A)(i) and inserting the following:

''(II) the institution has or had a clinical training program that was approved by a State as of January 1, 1992, and has continuously operated a clinical training program in not less than 1 State that is approved by such State;'';

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (D), by inserting ''and'' after the semicolon;

(ii) in subparagraph (E), by striking ''; and'' and inserting a period; and

(iii) by striking subparagraph (F); and

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

''(2) ADDITIONAL INSTITUTIONS.—The term 'proprietary institution of higher education' also includes a proprietary educational institution in any State that, in lieu of the requirement in section 101(a)(1), admits as regular students persons—

''(A) who are beyond the age of compulsory school attendance in the State in which the institution is located; or

''(B) who will be dually or concurrently enrolled in the institution and a secondary school.''; and

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

''(2) ADDITIONAL INSTITUTIONS.—The term 'postsecondary vocational institution' also includes an educational institution in any State that, in lieu of the requirement in section 101(a)(1), admits as regular students persons—

''(A) who are beyond the age of compulsory school attendance in the State in which the institution is located; or

''(B) who will be dually or concurrently enrolled in the institution and a secondary school.''.

SEC. 104. PROTECTION OF STUDENT SPEECH AND ASSOCIATION RIGHTS.

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

(1) in subsection (a)—

(A) by inserting ''(1)'' before ''It is the sense''; and

(B) by adding at the end the following:

''(2) It is the sense of Congress that—

''(A) the diversity of institutions and educational missions is one of the key strengths of American higher education;

''(B) individual colleges and universities have different missions and each institution should design its academic program in accordance with its educational goals;

''(C) a college should facilitate the free and open exchange of ideas;

''(D) students should not be intimidated, harassed, discouraged from speaking out, or discriminated against;

''(E) students should be treated equally and fairly; and

''(F) nothing in this paragraph shall be construed to modify, change, or infringe upon any constitutionally protected religious liberty, freedom, expression, or association.''; and

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

SEC. 105. ACCREDITATION AND INSTITUTIONAL QUALITY AND INTEGRITY ADVISORY COMMITTEE.

(a) IN GENERAL.—Section 114 (20 U.S.C. 1011c) is amended to read as follows:

''SEC. 114. ACCREDITATION AND INSTITUTIONAL QUALITY AND INTEGRITY COMMITTEE.

''(a) ESTABLISHMENT.—There is established in the Department an Accreditation and Institutional Quality and Integrity Advisory Committee (in this section referred to as the 'Committee') to assess the process of accreditation and the institutional eligibility and certification of such institutions under title IV.

''(b) MEMBERSHIP.—

''(1) IN GENERAL.—The Committee shall have 15 members, of which—

''(A) 5 members shall be appointed by the Secretary;

''(B) 5 members shall be appointed by the Speaker of the House of Representatives upon the recommendation of the majority leader and minority leader of the House of Representatives; and

''(C) 5 members shall be appointed by the President pro tempore of the Senate upon the recommendation of the majority leader and minority leader of the Senate.

''(2) QUALIFICATIONS.—Individuals shall be appointed as members of the Committee on—

''(A) the basis of the individuals' experience, integrity, impartiality, and good judgment;

''(B) from among individuals who are representatives of, or knowledgeable concerning, education and training beyond secondary education, representatives of all sectors and types of institutions of higher education (as defined in section 102); and

''(C) on the basis of the individuals' technical qualifications, professional standing, and demonstrated knowledge in the fields of accreditation and administration in higher education.

''(3) TERMS OF MEMBERS.—The term of office of each member of the Committee shall be for 6 years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall be appointed for the remainder of such term.

''(4) VACANCY.—A vacancy on the Committee shall be filled in the same manner as the original appointment was made not later than 90 days after the vacancy occurred. If a vacancy occurs in a position to be filled by the Secretary, the Secretary shall publish a Federal Register notice soliciting nominations for the position not later than 30 days after being notified of the vacancy.

''(5) INITIAL TERMS.—The terms of office for the initial members of the Committee shall be—

''(A) 2 years for members appointed under paragraph (1)(A);

''(B) 4 years for members appointed under paragraph (1)(B); and

''(C) 6 years for members appointed under paragraph (1)(C).

''(6) CHAIRPERSON.—The members of the Committee shall select a chairperson from among the members.

''(c) FUNCTIONS.—The Committee shall—

''(1) advise the Secretary with respect to establishment and enforcement of the standards of accrediting agencies or associations under subpart 2 of part H of title IV;

''(2) advise the Secretary with respect to the recognition of a specific accrediting agency or association;

''(3) advise the Secretary with respect to the preparation and publication of the list of nationally recognized accrediting agencies and associations;

''(4) advise the Secretary with respect to the eligibility and certification process for institutions of higher education under title IV, together with recommendations for improvements in such process;

''(5) advise the Secretary with respect to the relationship between—

''(A) accreditation of institutions of higher education and the certification and eligibility of such institutions; and

''(B) State licensing responsibilities with respect to such institutions; and

''(6) carry out such other advisory functions relating to accreditation and institutional eligibility as the Secretary may prescribe in regulation.

''(d) MEETING PROCEDURES.—

''(1) SCHEDULE.—

''(A) BIANNUAL MEETINGS.—The Committee shall meet not less often than twice each year, at the call of the Chairperson.

''(B) PUBLICATION OF DATE.—The Committee shall submit the date and location of each meeting in advance to the Secretary, and the Secretary shall publish such information in the Federal Register not later than 30 days before the meeting.

''(2) AGENDA.—

''(A) ESTABLISHMENT.—The agenda for a meeting of the Committee shall be established by the Chairperson and shall be submitted to the members of the Committee upon notification of the meeting.

''(B) OPPORTUNITY FOR PUBLIC COMMENT.—The agenda shall include, at a minimum, opportunity for public comment during the Committee's deliberations.

''(3) SECRETARY'S DESIGNEE.—

''(A) ATTENDANCE AT MEETING.—The Chairperson shall invite the Secretary's designee to attend all meetings of the Committee.

''(B) ROLE OF DESIGNEE.—The Secretary's designee may be present at a Committee meeting to facilitate the exchange and free flow of information between the Secretary and the Committee. The designee shall have no authority over the agenda of the meeting, the items on that agenda, or on the resolution of any agenda item.

''(4) FEDERAL ADVISORY COMMITTEE ACT.—The provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the Committee, except that section 14 of such Act shall not apply.

''(e) REPORT AND NOTICE.—

''(1) NOTICE.—The Secretary shall annually publish in the Federal Register—

''(A) a list containing, for each member of the Committee—

''(i) the member's name;

''(ii) the date of the expiration of the member's term of office; and

''(iii) the individual described in subsection (b)(1) who appointed the member; and

''(B) a solicitation of nominations for each expiring term of office on the Committee of a member appointed by the Secretary.

''(2) REPORT.—Not later than September 30 of each year, the Committee shall make an annual report to the Secretary, the authorizing committees, and the public. The annual report shall contain—

''(A) a detailed summary of the agenda and activities of, and the findings and recommendations made by, the Committee during the preceding fiscal year;

''(B) a list of the date and location of each meeting during the preceding fiscal year;

''(C) a list of the members of the Committee and appropriate contact information; and

''(D) a list of the functions of the Committee, including any additional functions established by the Secretary through regulation.

''(f) TERMINATION.—The Committee shall terminate on September 30, 2012.''.

(b) TERMINATION OF NACIQI.—The National Advisory Committee on Institutional Quality and Integrity, established under section 114 of the Higher Education Act of 1965 (as such section was in effect the day before the date of enactment of this Act) shall terminate 90 days after such date.

SEC. 106. DRUG AND ALCOHOL ABUSE PREVENTION.

Section 120(a)(2) (20 U.S.C. 1011i(a)(2)) is amended—

(1) in subparagraph (A), by striking ''and'' after the semicolon;

(2) by redesignating subparagraph (B) as subparagraph (D); and

(3) by inserting after subparagraph (A) (as amended by paragraph (1)) the following:

''(B) determine the number of drug and alcohol-related incidents and fatalities that—

''(i) occur on the institution's property or as part of any of the institution's activities; and

''(ii) are reported to the institution;

''(C) determine the number and type of sanctions described in paragraph (1)(E) that are imposed by the institution as a result of drug and alcohol-related incidents and fatalities on the institution's property or as part of any of the institution's activities; and''.

SEC. 107. PRIOR RIGHTS AND OBLIGATIONS.

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

(1) in paragraph (1), by striking ''1999 and for each of the 4 succeeding fiscal years'' and inserting ''2008 and for each succeeding fiscal year''; and

(2) in paragraph (2), by striking ''1999 and for each of the 4 succeeding fiscal years'' and inserting ''2008 and for each succeeding fiscal year''.

SEC. 108. TRANSPARENCY IN COLLEGE TUITION FOR CONSUMERS.

Part C of title I (20 U.S.C. 1015) is amended by adding at the end the following:

''SEC. 132. TRANSPARENCY IN COLLEGE TUITION FOR CONSUMERS.

''(a) NET PRICE.—In this section, the term 'net price' means the average yearly tuition and fees paid by a full-time undergraduate student at an institution of higher education, after discounts and grants from the institution, Federal Government, or a State have been applied to the full price of tuition and fees at the institution.

''(b) HIGHER EDUCATION PRICE INDEX.—

''(1) IN GENERAL.—Not later than 1 year after the date of enactment of the Higher Education Amendments of 2007, the Commission of the Bureau of Labor Statistics, in consultation with the Commissioner of Education Statistics and representatives of institutions of higher education, shall develop higher education price indices that accurately reflect the annual change in tuition and fees for undergraduate students in the categories of institutions listed in paragraph (2). Such indices shall be updated annually.

''(2) DEVELOPMENT.—The higher education price index under paragraph (1) shall be developed for each of the following categories:

''(A) 4-year public degree-granting institutions of higher education.

''(B) 4-year private degree-granting institutions of higher education.

''(C) 2-year public degree-granting institutions of higher education.

''(D) 2-year private degree-granting institutions of higher education.

''(E) Less than 2-year institutions of higher education.

''(F) All types of institutions described in subparagraphs (A) through (E).

''(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as may be necessary.

''(c) REPORTING.—

''(1) IN GENERAL.—The Secretary shall annually report, in a national list and in a list for each State, a ranking of institutions of higher education according to such institutions' change in tuition and fees over the preceding 2 years. The purpose of such lists is to provide consumers with general information on pricing trends among institutions of higher education nationally and in each State.

''(2) COMPILATION.—

''(A) IN GENERAL.—The lists described in paragraph (1) shall be compiled according to the following categories:

''(i) 4-year public institutions of higher education.

''(ii) 4-year private, nonprofit institutions of higher education.

''(iii) 4-year private, for-profit institutions of higher education.

''(iv) 2-year public institutions of higher education.

''(v) 2-year private, nonprofit institutions of higher education.

''(vi) 2-year private, for-profit institutions of higher education.

''(vii) Less than 2-year public institutions of higher education.

''(viii) Less than 2-year private, nonprofit institutions of higher education.

''(ix) Less than 2-year private, for-profit institutions of higher education.

''(B) PERCENTAGE AND DOLLAR CHANGE.—The lists described in paragraph (1) shall include 2 lists for each of the categories under subparagraph (A) as follows:

''(i) 1 list in which data is compiled by percentage change in tuition and fees over the preceding 2 years.

''(ii) 1 list in which data is compiled by dollar change in tuition and fees over the preceding 2 years.

''(3) HIGHER EDUCATION PRICE INCREASE WATCH LISTS.—Upon completion of the development of the higher education price indices described in paragraph (1), the Secretary shall annually report, in a national list, and in a list for each State, a ranking of each institution of higher education whose tuition and fees outpace such institution's applicable higher education price index described in subsection (b). Such lists shall—

''(A) be known as the 'Higher Education Price Increase Watch Lists';

''(B) report the full price of tuition and fees at the institution and the net price;

''(C) where applicable, report the average price of room and board for students living on campus at the institution, except that such price shall not be used in determining whether an institution's cost outpaces such institution's applicable higher education price index; and

''(D) be compiled by the Secretary in a public document to be widely published and disseminated in paper form and through the website of the Department.

''(4) STATE HIGHER EDUCATION APPROPRIATIONS CHART.—The Secretary shall annually report, in charts for each State—

''(A) a comparison of the percentage change in State appropriations per enrolled student in a public institution of higher education in the State to the percentage change in tuition and fees for each public institution of higher education in the State for each of the previous 5 years; and

''(B) the total amount of need-based and merit-based aid provided by the State to students enrolled in a public institution of higher education in the State.

''(5) SHARING OF INFORMATION.—The Secretary shall share the information under paragraphs (1) through (4) with the public, including with private sector college guidebook publishers.

''(d) NET PRICE CALCULATOR.—

''(1) DEVELOPMENT.—Not later than 1 year after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall, in consultation with institutions of higher education, develop and make several model net price calculators to help students, families, and consumers determine the net price of an institution of higher education, which institutions of higher education may, at their discretion, elect to use pursuant to paragraph (3).

''(2) CATEGORIES.—The model net price calculators described in paragraph (1) shall be developed for each of the following categories:

''(A) 4-year public institutions of higher education.

''(B) 4-year private, nonprofit institutions of higher education.

''(C) 4-year private, for-profit institutions of higher education.

''(D) 2-year public institutions of higher education.

''(E) 2-year private, nonprofit institutions of higher education.

''(F) 2-year private, for-profit institutions of higher education.

''(G) Less than 2-year public institutions of higher education.

''(H) Less than 2-year private, nonprofit institutions of higher education.

''(I) Less than 2-year private, for-profit institutions of higher education.

''(3) USE OF NET PRICE CALCULATOR BY INSTITUTIONS.—Not later than 3 years after the date of enactment of the Higher Education Amendments of 2007, each institution of higher education that receives Federal funds under this Act shall adopt and use a net price calculator to help students, families, and other consumers determine the net price of such institution of higher education. Such calculator may be—

''(A) based on a model calculator developed by the Department; or

''(B) developed by the institution of higher education.

''(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as may be necessary.

''(e) NET PRICE REPORTING IN APPLICATION INFORMATION.—An institution of higher education that receives Federal funds under this Act shall include, in the materials accompanying an application for admission to the institution, the most recent information regarding the net price of the institution, calculated for each quartile of students based on the income of either the students' parents or, in the case of independent students (as such term is described in section 480), of the students, for each of the 2 academic years preceding the academic year for which the application is produced.

''(f) ENHANCED COLLEGE INFORMATION WEBSITE.—

''(1) IN GENERAL.—

''(A) IN GENERAL.—Not later than 90 days after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall contract with an independent organization with demonstrated experience in the development of consumer-friendly websites to develop improvements to the website known as the College Opportunities On-Line (COOL) so that it better meets the needs of students, families, and consumers for accurate and appropriate information on institutions of higher education.

''(B) IMPLEMENTATIONS.—Not later than 1 year after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall implement the improvements developed by the independent organization described under subparagraph (A) to the college information website.

''(2) UNIVERSITY AND COLLEGE ACCOUNTABILITY NETWORK.—Not later than 1 year after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall develop a model document for annually reporting basic information about an institution of higher education that chooses to participate, to be posted on the college information website and made available to institutions of higher education, students, families, and other consumers. Such document shall be known as the 'University and College Accountability Network' (U-CAN), and shall include, the following information about the institution of higher education for the most recent academic year for which the institution has available data, presented in a consumer-friendly manner:

''(A) A statement of the institution's mission and specialties.

''(B) The total number of undergraduate students who applied, were admitted, and enrolled at the institution.

''(C) Where applicable, reading, writing, mathematics, and combined scores on the SAT or ACT for the middle 50 percent range of the institution's freshman class.

''(D) Enrollment of full-time, part-time, and transfer students at the institution, at the undergraduate and (where applicable) graduate levels.

''(E) Percentage of male and female undergraduate students enrolled at the institution.

''(F) Percentage of enrolled undergraduate students from the State in which the institution is located, from other States, and from other countries.

''(G) Percentage of enrolled undergraduate students at the institution by race and ethnic background.

''(H) Retention rates for full-time and part-time first-time first-year undergraduate students enrolled at the institution.

''(I) Average time to degree or certificate completion for first-time, first-year undergraduate students enrolled at the institution.

''(J) Percentage of enrolled undergraduate students who graduate within 2 years (in the case of 2-year institutions), and 4, 5 and 6 years (in the case of 2 and 4-year institutions).

''(K) Number of students who obtained a certificate or an associate's, bachelor's, master's, or doctoral degree at the institution.

''(L) The undergraduate major areas of study with the highest number of degrees awarded.

''(M) The student-faculty ratio, and number of full-time, part-time, and adjunct faculty at the institution.

''(N) Percentage of faculty at the institution with the highest degree in their field.

''(O) The percentage change in total price in tuition and fees and the net price for an undergraduate at the institution in each of the preceding 5 academic years.

''(P) The total average yearly cost of tuition and fees, room and board, and books and other related costs for an undergraduate student enrolled at the institution, for—

''(i) full-time undergraduate students living on campus;

''(ii) full-time undergraduate students living off-campus; and

''(iii) in the case of students attending a public institution of higher education, such costs for in-State and out-of-State students living on and off-campus.

''(Q) The average yearly grant amount (including Federal, State, and institutional aid) for a student enrolled at the institution.

''(R) The average yearly amount of Federal student loans, and other loans provided through the institution, to undergraduate students enrolled at the institution.

''(S) The total yearly grant aid available to undergraduate students enrolled at the institution, from the Federal Government, a State, the institution, and other sources.

''(T) The percentage of undergraduate students enrolled at the institution receiving Federal, State, and institutional grants, student loans, and any other type of student financial assistance provided publicly or through the institution, such as Federal work-study funds.

''(U) The average net price for all undergraduate students enrolled at the institution.

''(V) The percentage of first-year undergraduate students enrolled at the institution who live on campus and off campus.

''(W) Information on the policies of the institution related to transfer of credit from other institutions.

''(X) Information on campus safety required to be collected under section 485(f).

''(Y) Links to the appropriate sections of the institution's website that provide information on student activities offered by the institution, such as intercollegiate sports, student organizations, study abroad opportunities, intramural and club sports, specialized housing options, community service opportunities, cultural and arts opportunities on campus, religious and spiritual life on campus, and lectures and outside learning opportunities.

''(Z) Links to the appropriate sections of the institution's website that provide information on services offered by the institution to students during and after college, such as internship opportunities, career and placement services, and preparation for further education.

''(3) CONSULTATION.—The Secretary shall ensure that current and prospective college students, family members of such students, and institutions of higher education are consulted in carrying out paragraphs (1) and (2).

''(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as may be necessary.

''(g) GAO REPORT.—The Comptroller General of the United States shall—

''(1) conduct a study on the time and cost burdens to institutions of higher education associated with completing the Integrated Postsecondary Education Data System (IPEDS), which study shall—

''(A) report on the time and cost burden of completing the IPEDS survey for 4-year, 2-year, and less than 2-year institutions of higher education; and

''(B) present recommendations for reducing such burden;

''(2) not later than 1 year after the date of enactment of the Higher Education Amendments of 2007, submit to Congress a preliminary report regarding the findings of the study described in paragraph (1); and

''(3) not later than 2 years after the date of enactment of the Higher Education Amendments of 2007, submit to Congress a final report regarding such findings.''.

SEC. 109. DATABASES OF STUDENT INFORMATION PROHIBITED.

Part C of title I (20 U.S.C. 1015), as amended by section 108, is further amended by adding at the end the following:

''SEC. 133. DATABASE OF STUDENT INFORMATION PROHIBITED.

''(a) PROHIBITION.—Except as described in (b), nothing in this Act shall be construed to authorize the development, implementation, or maintenance of a Federal database of personally identifiable information on individuals receiving assistance under this Act, attending institutions receiving assistance under this Act, or otherwise involved in any studies or other collections of data under this Act, including a student unit record system, an education bar code system, or any other system that tracks individual students over time.

''(b) EXCEPTION.—The provisions of subsection (a) shall not affect the loan obligation enforcement activities described in section 485B.

''(c) STATE DATABASES.—Nothing in this Act shall prohibit a State or a consortium of States from developing, implementing, or maintaining State-developed databases that track individuals over time, including student unit record systems that contain information related to enrollment, attendance, graduation and retention rates, student financial assistance, and graduate employment outcomes.''.

SEC. 110. CLEAR AND EASY-TO-FIND INFORMATION ON STUDENT FINANCIAL AID.

Part C of title I (as amended by sections 108 and 109) is further amended by adding at the end the following:

''SEC. 134. CLEAR AND EASY-TO-FIND INFORMATION ON STUDENT FINANCIAL AID.

''(a) PROMINENT DISPLAY.—The Secretary shall ensure that a link to current student financial aid information is displayed prominently on the home page of the Department website.

''(b) ENHANCED STUDENT FINANCIAL AID INFORMATION.—

''(1) IN GENERAL.—Not later than 180 days after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall contract with an independent organization with demonstrated expertise in the development of consumer-friendly websites to develop improvements to the usefulness and accessibility of the information provided by the Department on college financial planning and student financial aid.

''(2) IMPLEMENTATION.—Not later than 1 year after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall implement the improvements developed by the independent organization described under paragraph (1) to the college financial planning and student financial aid website of the Department.

''(3) DISSEMINATION.—The Secretary shall make the availability of the information on the

website widely known through a major media campaign and other forms of communication.''.

SEC. 111. PERFORMANCE-BASED ORGANIZATION FOR THE DELIVERY OF FEDERAL STUDENT FINANCIAL ASSISTANCE.

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

(1) in subsection (a)—

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

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

(2) in subsection (b)—

(A) in paragraph (1)—

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

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

''(C) assist the Chief Operating Officer in identifying goals for—

''(i) the administration of the systems used to administer the Federal student financial assistance programs authorized under title IV; and

''(ii) the updating of such systems to current technology.''; and

(B) in paragraph (2)—

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

(ii) in subparagraph (A)—

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

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

''(i) the collection, processing, and transmission of data to students, institutions, lenders, State agencies, and other authorized parties;

''(ii) the design and technical specifications for software development and procurement for systems supporting the student financial assistance programs authorized under title IV;'';

(III) in clause (iii), by striking ''delivery'' and inserting ''administration'';

(IV) in clause (iv)—

(aa) by inserting ''the'' after ''supporting''; and

(bb) by striking ''and'' after the semicolon;

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

(VI) by adding at the end the following:

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

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

(3) in subsection (c)—

(A) in the subsection heading, by striking ''PERFORMANCE PLAN AND REPORT'' and inserting ''PERFORMANCE PLAN, REPORT, AND BRIEFING'';

(B) in paragraph (1)(C)—

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

(ii) in clause (iv)—

(I) by striking ''Developing an'' and inserting ''Developing''; and

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

(C) in paragraph (2)—

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

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

(D) in paragraph (3), by inserting ''students,'' after ''consult with''; and

(E) by adding at the end the following:

''(4) BRIEFING ON ENFORCEMENT OF STUDENT LOAN PROVISIONS.—The Chief Operating Officer shall provide an annual briefing to the members of the authorizing committees on the steps the PBO has taken and is taking to ensure that lenders are providing the information required under clauses (iii) and (iv) of section 428(c)(3)(C) and sections 428(b)(1)(Z) and 428C(b)(1)(F).'';

(4) in subsection (d)—

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

(B) in paragraph (5)—

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

(ii) in subparagraph (C), by striking ''this'';

(5) in subsection (f)—

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

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

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

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

(8) by striking subsection (i);

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

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

SEC. 112. PROCUREMENT FLEXIBILITY.

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

(1) in subsection (b)—

(A) in paragraph (1)—

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

(ii) by striking ''and'' after the semicolon;

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

(C) by adding at the end the following:

''(3) through the Chief Operating Officer—

''(A) to the maximum extent practicable, utilize procurement systems that streamline operations, improve internal controls, and enhance management; and

''(B) assess the efficiency of such systems and assess such systems' ability to meet PBO requirements.'';

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

''(2) FEE FOR SERVICE ARRANGEMENTS.—The Chief Operating Officer shall, when appropriate and consistent with the purposes of the PBO, acquire services related to the functions set forth in section 141(b)(2) from any entity that has the capability and capacity to meet the requirements set by the PBO. The Chief Operating Officer is authorized to pay fees that are equivalent to those paid by other entities to an organization that provides services that meet the requirements of the PBO, as determined by the Chief Operating Officer.'';

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

(4) in subsection (g)—

(A) in paragraph (4)(A)—

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

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

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

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

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

''(3) SINGLE-SOURCE BASIS.—The term 'single-source basis', with respect to an award of a contract, means that the contract is awarded to a source after soliciting an offer or offers from, and negotiating with, only such source (although such source is not the only source in the marketplace capable of meeting the need) because such source is the most advantageous source for purposes of the award.''.

SEC. 113. INSTITUTION AND LENDER REPORTING AND DISCLOSURE REQUIREMENTS.

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

''PART E—LENDER AND INSTITUTION REQUIREMENTS RELATING TO EDUCATIONAL LOANS

''SEC. 151. DEFINITIONS.

''In this part:

''(1) COST OF ATTENDANCE.—The term 'cost of attendance' has the meaning given the term in section 472.

''(2) COVERED INSTITUTION.—The term 'covered institution'—

''(A) means any educational institution that offers a postsecondary educational degree, certificate, or program of study (including any institution of higher education, as such term is defined in section 102) and receives any Federal funding or assistance; and

''(B) includes any employee or agent of the educational institution or any organization or entity affiliated with, or directly or indirectly controlled by, such institution.

''(3) EDUCATIONAL LOAN.—The term 'educational loan' means any loan made, insured, or guaranteed under title IV.

''(4) EDUCATIONAL LOAN ARRANGEMENT.—The term 'educational loan arrangement' means an arrangement or agreement between a lender and a covered institution—

''(A) under which arrangement or agreement a lender provides or otherwise issues educational loans to the students attending the covered institution or the parents of such students; and

''(B) which arrangement or agreement—

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

''(ii) involves the payment of any fee or provision of other material benefit by the lender to the institution or to groups of students who attend the institution.

''(5) LENDER.—The term 'lender'—

''(A) means—

''(i) any lender—

''(I) of a loan made, insured, or guaranteed under part B of title IV; and

''(II) that is a financial institution, as such term is defined in section 509 of the Gramm-Leach-Bliley Act (15 U.S.C. 6809); and

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

''(B) includes any individual, group, or entity acting on behalf of the lender in connection with an educational loan.

''(6) OFFICER.—The term 'officer' includes a director or trustee of an institution.

''SEC. 152. REQUIREMENTS FOR LENDERS AND INSTITUTIONS PARTICIPATING IN EDUCATIONAL LOAN ARRANGEMENTS.

''(a) USE OF LENDER NAME.—A covered institution that enters into an educational loan arrangement shall disclose the name of the lender in documentation related to the loan.

''(b) DISCLOSURES.—

''(1) DISCLOSURES BY LENDERS.—Before a lender issues or otherwise provides an educational loan to a student, the lender shall provide the student, in writing, with the disclosures described in paragraph (2).

''(2) DISCLOSURES.—The disclosures required by this paragraph shall include a clear and prominent statement—

''(A) of the interest rates of the educational loan being offered;

''(B) showing sample educational loan costs, disaggregated by type;

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

''(i) the types of repayment plans that are available;

''(ii) whether, and under what conditions, early repayment may be made without penalty;

''(iii) when and how often interest on the loan will be capitalized;

''(iv) the terms and conditions of deferments or forbearance;

''(v) all available repayment benefits, the percentage of all borrowers who qualify for such benefits, and the percentage of borrowers who received such benefits in the preceding academic year, for each type of loan being offered;

''(vi) the collection practices in the case of default; and

''(vii) all fees that the borrower may be charged, including late payment penalties and associated fees; and

''(D) of such other information as the Secretary may require in regulations.

''(c) DISCLOSURES TO THE SECRETARY BY LENDER.—

''(1) IN GENERAL.—Each lender shall, on an annual basis, report to the Secretary any reasonable expenses paid or given under section 435(d)(5)(D), 487(a)(21)(A)(ii), or 487(a)(21)(A)(iv) to any employee who is employed in the financial aid office of a covered institution, or who otherwise has responsibilities with respect to educational loans or other financial aid of the institution. Such reports shall include—

''(A) the amount of each specific instance in which the lender provided such reimbursement;

''(B) the name of the financial aid official or other employee to whom the reimbursement was made;

''(C) the dates of the activity for which the reimbursement was made; and

''(D) a brief description of the activity for which the reimbursement was made.

''(2) REPORT TO CONGRESS.—The Secretary shall compile the information in paragraph (1) in a report and transmit such report to the authorizing committees annually.

''SEC. 153. INTEREST RATE REPORT FOR INSTITUTIONS AND LENDERS PARTICIPATING IN EDUCATIONAL LOAN ARRANGEMENTS.

''(a) SECRETARY DUTIES.—

''(1) REPORT AND MODEL FORMAT.—Not later than 180 days after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall—

''(A) prepare a report on the adequacy of the information provided to students and the parents of such students about educational loans, after consulting with students, representatives of covered institutions (including financial aid administrators, registrars, and business officers), lenders, loan servicers, and guaranty agencies;

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

''(i) that provides information on the applicable interest rates and other terms and conditions of the educational loans provided by a lender to students attending the institution, or the parents of such students, disaggregated by each type of educational loans provided to such students or parents by the lender, including—

''(I) the interest rate and terms and conditions of the loans offered by the lender for the upcoming academic year;

''(II) with respect to such loans, any benefits that are contingent on the repayment behavior of the borrower;

''(III) the average amount borrowed from the lender by students enrolled in the institution who obtain loans of such type from the lender for the preceding academic year;

''(IV) the average interest rate on such loans provided to such students for the preceding academic year; and

''(V) the amount that the borrower may repay in interest, based on the standard repayment period of a loan, on the average amount borrowed from the lender by students enrolled in the institution who obtain loans of such type from the lender for the preceding academic year; and

''(ii) which format shall be easily usable by lenders, institutions, guaranty agencies, loan servicers, parents, and students; and

''(C)(i) submit the report and model format to the authorizing committees; and

''(ii) make the report and model format available to covered institutions, lenders, and the public.

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

''(A) lenders subject to subsection (b) to use the model format in providing the information required under subsection (b); and

''(B) covered institutions to use such format in preparing the information report under subsection (c).

''(b) LENDER DUTIES.—Each lender that has an educational loan arrangement with a covered institution shall annually, by a date determined by the Secretary, provide to the covered institution and to the Secretary the information included on the model format for each type of educational loan provided by the lender to students attending the covered institution, or the parents of such students, for the preceding academic year.

''(c) COVERED INSTITUTION DUTIES.—Each covered institution shall—

''(1) prepare and submit to the Secretary an annual report, by a date determined by the Secretary, that includes, for each lender that has an educational loan arrangement with the covered institution and that has submitted to the institution the information required under subsection (b)—

''(A) the information included on the model format for each type of educational loan provided by the lender to students attending the covered institution, or the parents of such students; and

''(B) a detailed explanation of why the covered institution believes the terms and conditions of each type of educational loan provided pursuant to the agreement are beneficial for students attending the covered institution, or the parents of such students; and

''(2) ensure that the report required under paragraph (1) is made available to the public and provided to students attending or planning to attend the covered institution, and the parents of such students, in time for the student or parent to take such information into account before applying for or selecting an educational loan.''.

TITLE II—TEACHER QUALITY ENHANCEMENT

SEC. 201. TEACHER QUALITY PARTNERSHIP GRANTS.

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

''PART A—TEACHER QUALITY PARTNERSHIP GRANTS

''SEC. 201. PURPOSES; DEFINITIONS.

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

''(1) improve student achievement;

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

''(3) hold institutions of higher education accountable for preparing highly qualified teachers; and

''(4) recruit qualified individuals, including minorities and individuals from other occupations, into the teaching force.

''(b) DEFINITIONS.—In this part:

''(1) ARTS AND SCIENCES.—The term 'arts and sciences' means—

''(A) when referring to an organizational unit of an institution of higher education, any academic unit that offers 1 or more academic majors in disciplines or content areas corresponding to the academic subject matter areas in which teachers provide instruction; and

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

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

''(3) CORE ACADEMIC SUBJECTS.—The term 'core academic subjects' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

''(4) EARLY CHILDHOOD EDUCATION PROGRAM.—The term 'early childhood education program' means—

''(A) a Head Start program or an Early Head Start program carried out under the Head Start Act (42 U.S.C. 9831 et seq.);

''(B) a State licensed or regulated child care program or school; or

''(C) a State prekindergarten program that serves children from birth through kindergarten and that addresses the children's cognitive (including language, early literacy, and prenumeracy), social, emotional, and physical development.

''(5) EARLY CHILDHOOD EDUCATOR.—The term 'early childhood educator' means an individual with primary responsibility for the education of children in an early childhood education program.

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

''(7) ELIGIBLE PARTNERSHIP.—The term 'eligible partnership' means an entity that—

''(A) shall include—

''(i) a high-need local educational agency;

''(ii) a high-need school or a consortium of high-need schools served by the high-need local educational agency or, as applicable, a high-need early childhood education program;

''(iii) a partner institution;

''(iv) a school, department, or program of education within such partner institution; and

''(v) a school or department of arts and sciences within such partner institution; and

''(B) may include any of the following:

''(i) The Governor of the State.

''(ii) The State educational agency.

''(iii) The State board of education.

''(iv) The State agency for higher education.

''(v) A business.

''(vi) A public or private nonprofit educational organization.

''(vii) An educational service agency.

''(viii) A teacher organization.

''(ix) A high-performing local educational agency, or a consortium of such local educational agencies, that can serve as a resource to the partnership.

''(x) A charter school (as defined in section 5210 of the Elementary and Secondary Education Act of 1965).

''(xi) A school or department within the partner institution that focuses on psychology and human development.

''(xii) A school or department within the partner institution with comparable expertise in the disciplines of teaching, learning, and child and adolescent development.

''(8) ESSENTIAL COMPONENTS OF READING INSTRUCTION.—The term 'essential components of reading instruction' has the meaning given such term in section 1208 of the Elementary and Secondary Education Act of 1965.

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

''(10) HIGH-NEED EARLY CHILDHOOD EDUCATION PROGRAM.—The term 'high-need early childhood education program' means an early childhood education program that is among the highest 25 percent of early childhood programs in the geographic area served by the local educational agency in the partnership, in terms of

the percentage of students from families with incomes below the poverty line.

''(11) HIGH-NEED LOCAL EDUCATIONAL AGENCY.—The term 'high-need local educational agency' means a local educational agency—

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

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

''(iii) with a total of less than 600 students in average daily attendance at the schools that are served by the agency and all of whose schools are designated with a school locale code of 6, 7, or 8, as determined by the Secretary; and

''(B)(i) for which there is a high percentage of teachers not teaching in the academic subject areas or grade levels in which the teachers were trained to teach; or

''(ii) for which there is a high teacher turnover rate or a high percentage of teachers with emergency, provisional, or temporary certification or licensure.

''(12) HIGH-NEED SCHOOL.—The term 'high-need school' means a public elementary school or public secondary school that—

''(A) is among the highest 25 percent of schools served by the local educational agency that serves the school, in terms of the percentage of students from families with incomes below the poverty line; or

''(B) is designated with a school locale code of 6, 7, or 8, as determined by the Secretary.

''(13) HIGHLY COMPETENT.—The term 'highly competent', when used with respect to an early childhood educator, means an educator—

''(A) with specialized education and training in development and education of young children from birth until entry into kindergarten;

''(B) with—

''(i) a baccalaureate degree in an academic major in the arts and sciences; or

''(ii) an associate's degree in a related educational area; and

''(C) who has demonstrated a high level of knowledge and use of content and pedagogy in the relevant areas associated with quality early childhood education.

''(14) HIGHLY QUALIFIED.—The term 'highly qualified' has the meaning given such term in section 9101 of the Elementary and Secondary Education Act of 1965 and, with respect to special education teachers, in section 602 of the Individuals with Disabilities Education Act.

''(15) INDUCTION PROGRAM.—The term 'induction program' means a formalized program for new teachers during not less than the teachers' first 2 years of teaching that is designed to provide support for, and improve the professional performance and advance the retention in the teaching field of, beginning teachers. Such program shall promote effective teaching skills and shall include the following components:

''(A) High-quality teacher mentoring.

''(B) Periodic, structured time for collaboration with teachers in the same department or field, as well as time for information-sharing among teachers, principals, administrators, and participating faculty in the partner institution.

''(C) The application of empirically based practice and scientifically valid research on instructional practices.

''(D) Opportunities for new teachers to draw directly upon the expertise of teacher mentors, faculty, and researchers to support the integration of empirically based practice and scientifically valid research with practice.

''(E) The development of skills in instructional and behavioral interventions derived from empirically based practice and, where applicable, scientifically valid research.

''(F) Faculty who—

''(i) model the integration of research and practice in the classroom; and

''(ii) assist new teachers with the effective use and integration of technology in the classroom.

''(G) Interdisciplinary collaboration among exemplary teachers, faculty, researchers, and other staff who prepare new teachers on the learning process and the assessment of learning.

''(H) Assistance with the understanding of data, particularly student achievement data, and the data's applicability in classroom instruction.

''(I) Regular evaluation of the new teacher.

''(16) LIMITED ENGLISH PROFICIENT.—The term 'limited English proficient' has the meaning given such term in section 9101 of the Elementary and Secondary Education Act of 1965.

''(17) PARTNER INSTITUTION.—The term 'partner institution' means an institution of higher education, which may include a 2-year institution of higher education offering a dual program with a 4-year institution of higher education, participating in an eligible partnership that has a teacher preparation program—

''(A) whose graduates exhibit strong performance on State-determined qualifying assessments for new teachers through—

''(i) demonstrating that 80 percent or more of the graduates of the program who intend to enter the field of teaching have passed all of the applicable State qualification assessments for new teachers, which shall include an assessment of each prospective teacher's subject matter knowledge in the content area in which the teacher intends to teach; or

''(ii) being ranked among the highest-performing teacher preparation programs in the State as determined by the State—

''(I) using criteria consistent with the requirements for the State report card under section 205(b); and

''(II) using the State report card on teacher preparation required under section 205(b), after the first publication of such report card and for every year thereafter; or

''(B) that requires—

''(i) each student in the program to meet high academic standards and participate in intensive clinical experience;

''(ii) each student in the program preparing to become a teacher to become highly qualified; and

''(iii) each student in the program preparing to become an early childhood educator to meet degree requirements, as established by the State, and become highly competent.

''(18) PRINCIPLES OF SCIENTIFIC RESEARCH.—The term 'principles of scientific research' means research that—

''(A) applies rigorous, systematic, and objective methodology to obtain reliable and valid knowledge relevant to education activities and programs;

''(B) presents findings and makes claims that are appropriate to and supported by the methods that have been employed; and

''(C) includes, appropriate to the research being conducted—

''(i) use of systematic, empirical methods that draw on observation or experiment;

''(ii) use of data analyses that are adequate to support the general findings;

''(iii) reliance on measurements or observational methods that provide reliable and generalizable findings;

''(iv) claims of causal relationships only in research designs that substantially eliminate plausible competing explanations for the obtained results, which may include but shall not be limited to random-assignment experiments;

''(v) presentation of studies and methods in sufficient detail and clarity to allow for replication or, at a minimum, to offer the opportunity to build systematically on the findings of the research;

''(vi) acceptance by a peer-reviewed journal or critique by a panel of independent experts through a comparably rigorous, objective, and scientific review; and

''(vii) use of research designs and methods appropriate to the research question posed.

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

''(20) SCIENTIFICALLY VALID RESEARCH.—The term 'scientifically valid research' includes applied research, basic research, and field-initiated research in which the rationale, design, and interpretation are soundly developed in accordance with accepted principles of scientific research.

''(21) TEACHER MENTORING.—The term 'teacher mentoring' means the mentoring of new or prospective teachers through a new or established program that—

''(A) includes clear criteria for the selection of teacher mentors who will provide role model relationships for mentees, which criteria shall be developed by the eligible partnership and based on measures of teacher effectiveness;

''(B) provides high-quality training for such mentors, including instructional strategies for literacy instruction;

''(C) provides regular and ongoing opportunities for mentors and mentees to observe each other's teaching methods in classroom settings during the day in a high-need school in the high-need local educational agency in the eligible partnership;

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

''(E) promotes empirically based practice of, and scientifically valid research on, where applicable—

''(i) teaching and learning;

''(ii) assessment of student learning;

''(iii) the development of teaching skills through the use of instructional and behavioral interventions; and

''(iv) the improvement of the mentees' capacity to measurably advance student learning; and

''(F) includes—

''(i) common planning time or regularly scheduled collaboration for the mentor and mentee; and

''(ii) joint professional development opportunities.

''(22) TEACHING SKILLS.—The term 'teaching skills' means skills that enable a teacher to—

''(A) increase student learning, achievement, and the ability to apply knowledge;

''(B) effectively convey and explain academic subject matter;

''(C) employ strategies grounded in the disciplines of teaching and learning that—

''(i) are based on empirically based practice and scientifically valid research, where applicable, on teaching and learning;

''(ii) are specific to academic subject matter; and

''(iii) focus on the identification of students' specific learning needs, particularly students with disabilities, students who are limited English proficient, students who are gifted and talented, and students with low literacy levels, and the tailoring of academic instruction to such needs;

''(D) conduct an ongoing assessment of student learning;

''(E) effectively manage a classroom;

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

''(G) use age-appropriate strategies and practices for children, including in early childhood education programs.

''(23) TEACHING RESIDENCY PROGRAM.—The term 'teaching residency program' means a school-based teacher preparation program in which a prospective teacher—

''(A) for 1 academic year, teaches alongside a mentor teacher, who is the teacher of record;

''(B) receives concurrent instruction during the year described in subparagraph (A) from the partner institution, which courses may be taught by local educational agency personnel or residency program faculty, in the teaching of the content area in which the teacher will become certified or licensed;

''(C) acquires effective teaching skills; and

''(D) prior to completion of the program, earns a master's degree, attains full State teacher certification or licensure, and becomes highly qualified.

"SEC. 202. PARTNERSHIP GRANTS.

''(a) PROGRAM AUTHORIZED.—From amounts made available under section 208, the Secretary is authorized to award grants, on a competitive basis, to eligible partnerships, to enable the eligible partnerships to carry out the activities described in subsection (c).

''(b) APPLICATION.—Each eligible partnership desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each such application shall contain—

''(1) a needs assessment of all the partners in the eligible partnership with respect to the preparation, ongoing training, professional development, and retention, of general and special education teachers, principals, and, as applicable, early childhood educators;

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

''(3) a description of the extent to which the program will prepare prospective and new teachers to understand research and data and the applicability of research and data in the classroom;

''(4) a description of how the partnership will coordinate strategies and activities assisted under the grant with other teacher preparation or professional development programs, including those funded under the Elementary and Secondary Education Act of 1965 and the Individuals with Disabilities Education Act, and through the National Science Foundation, and how the activities of the partnership will be consistent with State, local, and other education reform activities that promote student achievement;

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

''(A) the integration of funds from other related sources;

''(B) the intended use of the grant funds;

''(C) the commitment of the resources of the partnership to the activities assisted under this section, including financial support, faculty participation, and time commitments, and to the continuation of the activities when the grant ends;

''(6) a description of—

''(A) how the partnership will meet the purposes of this part;

''(B) how the partnership will carry out the activities required under subsection (d) or (e) based on the needs identified in paragraph (1), with the goal of improving student achievement;

''(C) the partnership's evaluation plan under section 204(a);

''(D) how the partnership will align the teacher preparation program with the—

''(i) early learning standards for early childhood education programs, as applicable, of the State in which the partnership is located; and

''(ii) the student academic achievement standards and academic content standards under section 1111(b)(2) of the Elementary and Secondary Education Act of 1965, established by the State in which the partnership is located;

''(E) how faculty at the partner institution will work with, during the term of the grant, highly qualified teachers in the classrooms of schools served by the high-need local educational agency in the partnership to provide high-quality professional development activities;

''(F) how the partnership will design, implement, or enhance a year-long, rigorous, and enriching teaching preservice clinical program component;

''(G) the in-service professional development strategies and activities to be supported; and

''(H) how the partnership will collect, analyze, and use data on the retention of all teachers and early childhood educators in schools and early childhood programs located in the geographic area served by the partnership to evaluate the effectiveness of the partnership's teacher and educator support system; and

''(7) with respect to the induction program required as part of the activities carried out under this section—

''(A) a demonstration that the schools and departments within the institution of higher education that are part of the induction program have relevant and essential roles in the effective preparation of teachers, including content expertise and expertise in teaching;

''(B) a demonstration of the partnership's capability and commitment to the use of empirically based practice and scientifically valid research on teaching and learning, and the accessibility to and involvement of faculty;

''(C) a description of how the teacher preparation program will design and implement an induction program to support all new teachers through not less than the first 2 years of teaching in the further development of the new teachers' teaching skills, including the use of mentors who are trained and compensated by such program for the mentors' work with new teachers; and

''(D) a description of how faculty involved in the induction program will be able to substantially participate in an early childhood education program or an elementary or secondary school classroom setting, as applicable, including release time and receiving workload credit for such participation.

''(c) REQUIRED USE OF GRANT FUNDS.—An eligible partnership that receives a grant under this part shall use grant funds to carry out a program for the pre-baccalaureate preparation of teachers under subsection (d), a teaching residency program under subsection (e), or both such programs.

''(d) PARTNERSHIP GRANTS FOR PRE-BACCALAUREATE PREPARATION OF TEACHERS.—An eligible partnership that receives a grant to carry out an effective program for the pre-baccalaureate preparation of teachers shall carry out a program that includes all of the following:

''(1) REFORMS.—

''(A) IN GENERAL.—Implementing reforms, described in subparagraph (B), within each teacher preparation program and, as applicable, each preparation program for early childhood education programs, of the eligible partnership that is assisted under this section, to hold each program accountable for—

''(i) preparing—

''(I) current or prospective teachers to be highly qualified (including teachers in rural school districts who may teach multiple subjects, special educators, and teachers of students who are limited English proficient who may teach multiple subjects);

''(II) such teachers and, as applicable, early childhood educators, to understand empirically based practice and scientifically valid research on teaching and learning and its applicability, and to use technology effectively, including the use of instructional techniques to improve student achievement; and

''(III) as applicable, early childhood educators to be highly competent; and

''(ii) promoting strong teaching skills and, as applicable, techniques for early childhood educators to improve children's cognitive, social, emotional, and physical development.

''(B) REQUIRED REFORMS.—The reforms described in subparagraph (A) shall include—

''(i) implementing teacher preparation program curriculum changes that improve, evaluate, and assess how well all prospective and new teachers develop teaching skills;

''(ii) using empirically based practice and scientifically valid research, where applicable, about the disciplines of teaching and learning so that all prospective teachers and, as applicable, early childhood educators—

''(I) can understand and implement research-based teaching practices in classroom-based instruction;

''(II) have knowledge of student learning methods;

''(III) possess skills to analyze student academic achievement data and other measures of student learning and use such data and measures to improve instruction in the classroom;

''(IV) possess teaching skills and an understanding of effective instructional strategies across all applicable content areas that enable the teachers and early childhood educators to—

''(aa) meet the specific learning needs of all students, including students with disabilities, students who are limited English proficient, students who are gifted and talented, students with low literacy levels and, as applicable, children in early childhood education programs; and

''(bb) differentiate instruction for such students; and

''(V) can successfully employ effective strategies for reading instruction using the essential components of reading instruction;

''(iii) ensuring collaboration with departments, programs, or units of a partner institution outside of the teacher preparation program in all academic content areas to ensure that new teachers receive training in both teaching and relevant content areas in order to become highly qualified;

''(iv) developing and implementing an induction program; and

''(v) developing admissions goals and priorities with the hiring objectives of the high-need local educational agency in the eligible partnership.

''(2) CLINICAL EXPERIENCE AND INTERACTION.—Developing and improving a sustained and high-quality pre-service clinical education program to further develop the teaching skills of all prospective teachers and, as applicable, early childhood educators, involved in the program. Such program shall do the following:

''(A) Incorporate year-long opportunities for enrichment activity or a combination of activities, including—

''(i) clinical learning in classrooms in high-need schools served by the high-need local educational agency in the eligible partnership and identified by the eligible partnership; and

''(ii) closely supervised interaction between faculty and new and experienced teachers, principals, and other administrators at early childhood education programs (as applicable), elementary schools, or secondary schools, and providing support for such interaction.

''(B) Integrate pedagogy and classroom practice and promote effective teaching skills in academic content areas.

''(C) Provide high-quality teacher mentoring.

''(D)(i) Be offered over the course of a program of teacher preparation;

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

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

''(E) Provide support and training for those individuals participating in an activity for prospective teachers described in this paragraph or paragraph (1) or (2), and for those who serve as mentors for such teachers, based on each individual's experience. Such support may include—

''(i) with respect to a prospective teacher or a mentor, release time for such individual's participation;

''(ii) with respect to a faculty member, receiving course workload credit and compensation for time teaching in the eligible partnership's activities; and

''(iii) with respect to a mentor, a stipend, which may include bonus, differential, incentive, or merit or performance-based pay.

''(3) INDUCTION PROGRAMS FOR NEW TEACHERS.—Creating an induction program for new

teachers, or, in the case of an early childhood education program, providing mentoring or coaching for new early childhood educators.

''(4) SUPPORT AND TRAINING FOR PARTICIPANTS IN EARLY CHILDHOOD EDUCATION PROGRAMS.—In the case of an eligible partnership focusing on early childhood educator preparation, implementing initiatives that increase compensation for early childhood educators who attain associate or baccalaureate degrees in early childhood education.

''(5) TEACHER RECRUITMENT.—Developing and implementing effective mechanisms to ensure that the eligible partnership is able to recruit qualified individuals to become highly qualified teachers through the activities of the eligible partnership.

''(e) PARTNERSHIP GRANTS FOR THE ESTABLISHMENT OF TEACHING RESIDENCY PROGRAMS.—

''(1) IN GENERAL.—An eligible partnership receiving a grant to carry out an effective teaching residency program shall carry out a program that includes all of the following activities:

''(A) Supporting a teaching residency program described in paragraph (2) for high-need subjects and areas, as determined by the needs of the high-need local educational agency in the partnership.

''(B) Modifying staffing procedures to provide greater flexibility for local educational agency and school leaders to establish effective school-level staffing in order to facilitate placement of graduates of the teaching residency program in cohorts that facilitate professional collaboration, both among graduates of the teaching residency program and between such graduates and mentor teachers in the receiving school.

''(C) Ensuring that teaching residents that participated in the teaching residency program receive—

''(i) effective preservice preparation as described in paragraph (2);

''(ii) teacher mentoring;

''(iii) induction through the induction program as the teaching residents enter the classroom as new teachers; and

''(iv) the preparation described in subparagraphs (A), (B), and (C) of subsection (d)(2).

''(2) TEACHING RESIDENCY PROGRAMS.—

''(A) ESTABLISHMENT AND DESIGN.—A teaching residency program under this paragraph shall be a program based upon models of successful teaching residencies that serves as a mechanism to prepare teachers for success in the high-need schools in the eligible partnership, and shall be designed to include the following characteristics of successful programs:

''(i) The integration of pedagogy, classroom practice, and teacher mentoring.

''(ii) Engagement of teaching residents in rigorous graduate-level coursework to earn a master's degree while undertaking a guided teaching apprenticeship.

''(iii) Experience and learning opportunities alongside a trained and experienced mentor teacher—

''(I) whose teaching shall complement the residency program so that classroom clinical practice is tightly aligned with coursework;

''(II) who shall have extra responsibilities as a teacher leader of the teaching residency program, as a mentor for residents, and as a teacher coach during the induction program for novice teachers, and for establishing, within the program, a learning community in which all individuals are expected to continually improve their capacity to advance student learning; and

''(III) who may have full relief from teaching duties as a result of such additional responsibilities.

''(iv) The establishment of clear criteria for the selection of mentor teachers based on measures of teacher effectiveness and the appropriate subject area knowledge. Evaluation of teacher effectiveness shall be based on observations of such domains of teaching as the following:

''(I) Planning and preparation, including demonstrated knowledge of content, pedagogy, and assessment, including the use of formative assessments to improve student learning.

''(II) Appropriate instruction that engages students with different learning styles.

''(III) Collaboration with colleagues to improve instruction.

''(IV) Analysis of gains in student learning, based on multiple measures, that, when feasible, may include valid and reliable objective measures of the influence of teachers on the rate of student academic progress.

''(V) In the case of mentor candidates who will be mentoring current or future literacy and mathematics coaches or instructors, appropriate skills in the essential components of reading instruction, teacher training in literacy instructional strategies across core subject areas, and teacher training in mathematics instructional strategies, as appropriate.

''(v) Grouping of teaching residents in cohorts to facilitate professional collaboration among such residents.

''(vi) The development of admissions goals and priorities aligned with the hiring objectives of the local educational agency partnering with the program, as well as the instructional initiatives and curriculum of the agency, in exchange for a commitment by the agency to hire graduates from the teaching residency program.

''(vii) Support for residents, once the teaching residents are hired as teachers of record, through an induction program, professional development, and networking opportunities to support the residents through not less than the residents' first 2 years of teaching.

''(B) SELECTION OF INDIVIDUALS AS TEACHER RESIDENTS.—

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

''(I) be a recent graduate of a 4-year institution of higher education or a mid-career professional from outside the field of education possessing strong content knowledge or a record of professional accomplishment; and

''(II) submit an application to the teaching residency program.

''(ii) SELECTION CRITERIA.—An eligible partnership carrying out a teaching residency program under this subparagraph shall establish criteria for the selection of eligible individuals to participate in the teaching residency program based on the following characteristics:

''(I) Strong content knowledge or record of accomplishment in the field or subject area to be taught.

''(II) Strong verbal and written communication skills, which may be demonstrated by performance on appropriate tests.

''(III) Other attributes linked to effective teaching, which may be determined by interviews or performance assessments, as specified by the eligible partnership.

''(C) STIPEND AND SERVICE REQUIREMENT.—

''(i) STIPEND.—A teaching residency program under this paragraph shall provide a 1-year living stipend or salary to teaching residents during the 1-year teaching residency program.

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

''(iii) REPAYMENT.—If a teaching resident who received a stipend under this subparagraph does not complete the service requirement described in clause (ii), such individual shall repay to the high-need local educational agency a pro rata portion of the stipend amount for the amount of teaching time that the individual did not complete.

''(f) CONSULTATION.—

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

''(2) REGULAR COMMUNICATION.—To ensure timely and meaningful consultation, regular communication shall occur among all members of the eligible partnership, including the high-need local educational agency. Such communication shall continue throughout the implementation of the grant and the assessment of programs and activities under this section.

''(3) WRITTEN CONSENT.—The Secretary may approve changes in grant activities of a grant under this section only if a written consent signed by all members of the eligible partnership is submitted to the Secretary.

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

''(h) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities under this section.

"SEC. 203. ADMINISTRATIVE PROVISIONS.

''(a) DURATION; NUMBER OF AWARDS; PAYMENTS.—

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

''(2) NUMBER OF AWARDS.—An eligible partnership may not receive more than 1 grant during a 5-year period. Nothing in this title shall be construed to prohibit an individual member, that can demonstrate need, of an eligible partnership that receives a grant under this title from entering into another eligible partnership consisting of new members and receiving a grant with such other eligible partnership before the 5-year period described in the preceding sentence applicable to the eligible partnership with which the individual member has first partnered has expired.

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

''(b) PEER REVIEW.—

''(1) PANEL.—The Secretary shall provide the applications submitted under this part to a peer review panel for evaluation. With respect to each application, the peer review panel shall initially recommend the application for funding or for disapproval.

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

''(A) to applications from broad-based eligible partnerships that involve businesses and community organizations; and

''(B) to eligible partnerships so that the awards promote an equitable geographic distribution of grants among rural and urban areas.

''(3) SECRETARIAL SELECTION.—The Secretary shall determine, based on the peer review process, which applications shall receive funding and the amounts of the grants. In determining the grant amount, the Secretary shall take into account the total amount of funds available for all grants under this part and the types of activities proposed to be carried out by the eligible partnership.

''(c) MATCHING REQUIREMENTS.—

''(1) IN GENERAL.—Each eligible partnership receiving a grant under this part shall provide, from non-Federal sources, an amount equal to 100 percent of the amount of the grant, which may be provided in cash or in-kind, to carry out the activities supported by the grant.

''(2) WAIVER.—The Secretary may waive all or part of the matching requirement described in

paragraph (1) for any fiscal year for an eligible partnership, if the Secretary determines that applying the matching requirement to the eligible partnership would result in serious hardship or an inability to carry out the authorized activities described in this part.

''(d) LIMITATION ON ADMINISTRATIVE EXPENSES.—An eligible partnership that receives a grant under this part may use not more than 2 percent of the grant funds for purposes of administering the grant.

"SEC. 204. ACCOUNTABILITY AND EVALUATION.

''(a) ELIGIBLE PARTNERSHIP EVALUATION.—Each eligible partnership submitting an application for a grant under this part shall establish and include in such application, an evaluation plan that includes strong performance objectives. The plan shall include objectives and measures for increasing—

''(1) student achievement for all students as measured by the eligible partnership;

''(2) teacher retention in the first 3 years of a teacher's career;

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

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

''(B) the percentage of such teachers who are members of under represented groups;

''(C) the percentage of such teachers who teach high-need academic subject areas (such as reading, mathematics, science, and foreign language, including less commonly taught languages and critical foreign languages);

''(D) the percentage of such teachers who teach in high-need areas (including special education, language instruction educational programs for limited English proficient students, and early childhood education);

''(E) the percentage of such teachers in high-need schools, disaggregated by the elementary, middle, and high school levels; and

''(F) as applicable, the percentage of early childhood education program classes in the geographic area served by the eligible partnership taught by early childhood educators who are highly competent.

''(b) INFORMATION.—An eligible partnership receiving a grant under this part shall ensure that teachers, principals, school superintendents, and faculty and leadership at institutions of higher education located in the geographic areas served by the eligible partnership under this part are provided information about the activities carried out with funds under this part, including through electronic means.

''(c) REVOCATION OF GRANT.—If the Secretary determines that an eligible partnership receiving a grant under this part is not making substantial progress in meeting the purposes, goals, objectives, and measures, as appropriate, of the grant by the end of the third year of a grant under this part, then the Secretary shall require such eligible partnership to submit a revised application that identifies the steps the partnership will take to make substantial progress to meet the purposes, goals, objectives, and measures, as appropriate, of this part.

''(d) EVALUATION AND DISSEMINATION.—The Secretary shall evaluate the activities funded under this part and report the Secretary's findings regarding the activities to the authorizing committees. The Secretary shall broadly disseminate—

''(1) successful practices developed by eligible partnerships under this part; and

''(2) information regarding such practices that were found to be ineffective.

"SEC. 205. ACCOUNTABILITY FOR PROGRAMS THAT PREPARE TEACHERS.

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

''(1) REPORT CARD.—Each institution of higher education that conducts a traditional teacher preparation program or alternative routes to State certification or licensure program and that enrolls students receiving Federal assistance under this Act shall report annually to the State and the general public, in a uniform and comprehensible manner that conforms with the definitions and methods established by the Secretary, both for traditional teacher preparation programs and alternative routes to State certification or licensure programs, the following information:

''(A) PASS RATES AND SCALED SCORES.—For the most recent year for which the information is available for those students who took the assessments and are enrolled in the traditional teacher preparation program or alternative routes to State certification or licensure program, and for those who have taken the assessments and have completed the traditional teacher preparation program or alternative routes to State certification or licensure program during the 2-year period preceding such year, for each of the assessments used for teacher certification or licensure by the State in which the program is located—

''(i) the percentage of students who have completed 100 percent of the nonclinical coursework and taken the assessment who pass such assessment;

''(ii) the percentage of all such students who passed each such assessment;

''(iii) the percentage of students taking an assessment who completed the teacher preparation program after enrolling in the program, which shall be made available widely and publicly by the State;

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

''(v) a comparison of the program's pass rates with the average pass rates for programs in the State; and

''(vi) a comparison of the program's average scaled scores with the average scaled scores for programs in the State.

''(B) PROGRAM INFORMATION.—The criteria for admission into the program, the number of students in the program (disaggregated by race and gender), the average number of hours of supervised clinical experience required for those in the program, the number of full-time equivalent faculty and students in the supervised clinical experience, and the total number of students who have been certified or licensed as teachers, disaggregated by subject and area of certification or licensure.

''(C) STATEMENT.—In States that require approval or accreditation of teacher preparation programs, a statement of whether the institution's program is so approved or accredited, and by whom.

''(D) DESIGNATION AS LOW-PERFORMING.—Whether the program has been designated as low-performing by the State under section 207(a).

''(E) USE OF TECHNOLOGY.—A description of the activities that prepare teachers to effectively integrate technology into curricula and instruction and effectively use technology to collect, manage, and analyze data in order to improve teaching, learning, and decisionmaking for the purpose of increasing student academic achievement.

''(2) REPORT.—Each eligible partnership receiving a grant under section 202 shall report annually on the progress of the eligible partnership toward meeting the purposes of this part and the objectives and measures described in section 204(a).

''(3) FINES.—The Secretary may impose a fine not to exceed $25,000 on an institution of higher education for failure to provide the information described in this subsection in a timely or accurate manner.

''(4) SPECIAL RULE.—In the case of an institution of higher education that conducts a traditional teacher preparation program or alternative routes to State certification or licensure program and has fewer than 10 scores reported on any single initial teacher certification or licensure assessment during an academic year, the institution shall collect and publish information, as required under paragraph (1)(A), with respect to an average pass rate and scaled score on each State certification or licensure assessment taken over a 3-year period.

''(b) STATE REPORT CARD ON THE QUALITY OF TEACHER PREPARATION.—

''(1) IN GENERAL.—Each State that receives funds under this Act shall provide to the Secretary, annually, in a uniform and comprehensible manner that conforms with the definitions and methods established by the Secretary, a State report card on the quality of teacher preparation in the State, both for traditional teacher preparation programs and for alternative routes to State certification or licensure programs, which shall include not less than the following:

''(A) A description of reliability and validity of the teacher certification and licensure assessments, and any other certification and licensure requirements, used by the State.

''(B) The standards and criteria that prospective teachers must meet in order to attain initial teacher certification or licensure and to be certified or licensed to teach particular academic subject areas or in particular grades within the State.

''(C) A description of how the assessments and requirements described in subparagraph (A) are aligned with the State's challenging academic content standards required under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 and State early learning standards for early childhood education programs.

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

''(i) for each institution of higher education located in the State and each entity located in the State that offers an alternative route for teacher certification or licensure, the percentage of students at such institution or entity who have completed 100 percent of the nonclinical coursework and taken the assessment who pass such assessment;

''(ii) the percentage of all such students at all such institutions taking the assessment who pass such assessment; and

''(iii) the percentage of students taking an assessment who completed the teacher preparation program after enrolling in the program, which shall be made available widely and publicly by the State.

''(E) A description of alternative routes to State certification or licensure in the State (including any such routes operated by entities that are not institutions of higher education), if any, including, for each of the assessments used by the State for teacher certification or licensure—

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

''(ii) the average scaled score of individuals participating in such routes, or who have completed such routes during the period preceding the date of the determination, who took each such assessment.

''(F) A description of the State's criteria for assessing the performance of teacher preparation programs within institutions of higher education in the State. Such criteria shall include indicators of the academic content knowledge and teaching skills of students enrolled in such programs.

''(G) For each teacher preparation program in the State, the criteria for admission into the program, the number of students in the program, disaggregated by race and gender (except that such disaggregation shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student), the average number of hours of

supervised clinical experience required for those in the program, and the number of full-time equivalent faculty, adjunct faculty, and students in supervised clinical experience.

''(H) For the State as a whole, and for each teacher preparation program in the State, the number of teachers prepared, in the aggregate and reported separately by—

''(i) area of certification or licensure;

''(ii) academic major; and

''(iii) subject area for which the teacher has been prepared to teach.

''(I) Using the data generated under subparagraphs (G) and (H), a description of the extent to which teacher preparation programs are helping to address shortages of highly qualified teachers, by area of certification or licensure, subject, and specialty, in the State's public schools.

''(J) A description of the activities that prepare teachers to effectively integrate technology into curricula and instruction and effectively use technology to collect, manage, and analyze data in order to improve teaching, learning, and decisionmaking for the purpose of increasing student academic achievement.

''(2) PROHIBITION AGAINST CREATING A NATIONAL LIST.—The Secretary shall not create a national list or ranking of States, institutions, or schools using the scaled scores provided under this subsection.

''(c) REPORT OF THE SECRETARY ON THE QUALITY OF TEACHER PREPARATION.—

''(1) REPORT CARD.—The Secretary shall provide to Congress, and publish and make widely available, a report card on teacher qualifications and preparation in the United States, including all the information reported in subparagraphs (A) through (J) of subsection (b)(1). Such report shall identify States for which eligible partnerships received a grant under this part. Such report shall be so provided, published, and made available annually.

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

''(A) A comparison of States' efforts to improve the quality of the current and future teaching force.

''(B) A comparison of eligible partnerships' efforts to improve the quality of the current and future teaching force.

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

''(3) SPECIAL RULE.—In the case of a teacher preparation program with fewer than 10 scores reported on any single initial teacher certification or licensure assessment during an academic year, the Secretary shall collect and publish information, and make publicly available, with respect to an average pass rate and scaled score on each State certification or licensure assessment taken over a 3-year period.

''(d) COORDINATION.—The Secretary, to the extent practicable, shall coordinate the information collected and published under this part among States for individuals who took State teacher certification or licensure assessments in a State other than the State in which the individual received the individual's most recent degree.

"SEC. 206. STATE FUNCTIONS.

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

''(b) TERMINATION OF ELIGIBILITY.—Any program of teacher preparation from which the State has withdrawn the State's approval, or terminated the State's financial support, due to the low performance of the program based upon the State assessment described in subsection (a)—

''(1) shall be ineligible for any funding for professional development activities awarded by the Department;

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

''(3) shall provide transitional support, including remedial services if necessary, for students enrolled at the institution at the time of termination of financial support or withdrawal of approval.

''(c) NEGOTIATED RULEMAKING.—If the Secretary develops any regulations implementing subsection (b)(2), the Secretary shall submit such proposed regulations to a negotiated rulemaking process, which shall include representatives of States, institutions of higher education, and educational and student organizations.

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

"SEC. 207. GENERAL PROVISIONS.

''(a) METHODS.—In complying with sections 205 and 206, the Secretary shall ensure that States and institutions of higher education use fair and equitable methods in reporting and that the reporting methods do not allow identification of individuals.

''(b) SPECIAL RULE.—For each State that does not use content assessments as a means of ensuring that all teachers teaching in core academic subjects within the State are highly qualified, as required under section 1119 of the Elementary and Secondary Education Act of 1965 and in accordance with the State plan submitted or revised under section 1111 of such Act, and that each person employed as a special education teacher in the State who teaches elementary school, middle school, or secondary school is highly qualified by the deadline, as required under section 612(a)(14)(C) of the Individuals with Disabilities Education Act,—

''(1) the Secretary shall, to the extent practicable, collect data comparable to the data required under this part from States, local educational agencies, institutions of higher education, or other entities that administer such assessments to teachers or prospective teachers; and

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

''(c) RELEASE OF INFORMATION TO TEACHER PREPARATION PROGRAMS.—

''(1) IN GENERAL.—For the purpose of improving teacher preparation programs, a State educational agency that receives funds under this Act, or that participates as a member of a partnership, consortium, or other entity that receives such funds, shall provide to a teacher preparation program, upon the request of the teacher preparation program, any and all pertinent education-related information that—

''(A) may enable the teacher preparation program to evaluate the effectiveness of the program's graduates or the program itself; and

''(B) is possessed, controlled, or accessible by the State educational agency.

''(2) CONTENT OF INFORMATION.—The information described in paragraph (1)—

''(A) shall include an identification of specific individuals who graduated from the teacher preparation program to enable the teacher preparation program to evaluate the information provided to the program from the State educational agency with the program's own data about the specific courses taken by, and field experiences of, the individual graduates; and

''(B) may include—

''(i) kindergarten through grade 12 academic achievement and demographic data, without revealing personally identifiable information about an individual student, for students who have been taught by graduates of the teacher preparation program; and

''(ii) teacher effectiveness evaluations for teachers who graduated from the teacher preparation program.

"SEC. 208. AUTHORIZATION OF APPROPRIATIONS.

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

SEC. 202. GENERAL PROVISIONS.

Title II (20 U.S.C. 1021 et seq.) is amended by adding at the end the following:

"PART C—GENERAL PROVISIONS

"SEC. 231. LIMITATIONS.

''(a) FEDERAL CONTROL PROHIBITED.—Nothing in this title shall be construed to permit, allow, encourage, or authorize any Federal control over any aspect of any private, religious, or home school, whether or not a home school is treated as a private school or home school under State law. This section shall not be construed to prohibit private, religious, or home schools from participation in programs or services under this title.

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

''(c) NATIONAL SYSTEM OF TEACHER CERTIFICATION OR LICENSURE PROHIBITED.—Nothing in this title shall be construed to permit, allow, encourage, or authorize the Secretary to establish or support any national system of teacher certification or licensure.''.

TITLE III—INSTITUTIONAL AID

SEC. 301. PROGRAM PURPOSE.

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

(1) in subsection (b)—

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

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

(2) in subsection (c)—

(A) in paragraph (6), by inserting '', including innovative, customized, remedial education and English language instruction courses designed to help retain students and move the students rapidly into core courses and through program completion'' before the period;

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

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

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

(D) in paragraph (12) (as redesignated by subparagraph (B)), by striking ''distance learning academic instruction capabilities'' and inserting ''distance education technologies''; and

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

SEC. 302. DEFINITIONS; ELIGIBILITY.

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

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

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

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

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

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

''(3) TRIBAL COLLEGE OR UNIVERSITY.—The term 'Tribal College or University' means an institution that—

''(A) qualifies for funding under the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.) or the Navajo Community College Assistance Act of 1978 (25 U.S.C. 640a note); or

''(B) is cited in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note).'';

(2) in subsection (c)(2)—

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

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

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

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

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

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

''(M) developing or improving facilities for Internet use or other distance education technologies; and''; and

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

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

''(d) APPLICATION, PLAN, AND ALLOCATION.—

''(1) INSTITUTIONAL ELIGIBILITY.—To be eligible to receive assistance under this section, a Tribal College or University shall be an eligible institution under section 312(b).

''(2) APPLICATION.—

''(A) IN GENERAL.—A Tribal College or University desiring to receive assistance under this section shall submit an application to the Secretary at such time, and in such manner, as the Secretary may reasonably require.

''(B) STREAMLINED PROCESS.—The Secretary shall establish application requirements in such a manner as to simplify and streamline the process for applying for grants.

''(3) ALLOCATIONS TO INSTITUTIONS.—

''(A) CONSTRUCTION GRANTS.—

''(i) IN GENERAL.—Of the amount appropriated to carry out this section for any fiscal year, the Secretary may reserve 30 percent for the purpose of awarding 1-year grants of not less than $1,000,000 to address construction, maintenance, and renovation needs at eligible institutions.

''(ii) PREFERENCE.—In providing grants under clause (i), the Secretary shall give preference to eligible institutions that have not yet received an award under this section.

''(B) ALLOTMENT OF REMAINING FUNDS.—

''(i) IN GENERAL.—Except as provided in clause (ii), the Secretary shall distribute the remaining funds appropriated for any fiscal year to each eligible institution as follows:

''(I) 60 percent of the remaining appropriated funds shall be distributed among the eligible Tribal Colleges and Universities on a pro rata basis, based on the respective Indian student counts (as defined in section 2(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(a)) of the Tribal Colleges and Universities; and

''(II) the remaining 40 percent shall be distributed in equal shares to the eligible Tribal Colleges and Universities.

''(ii) MINIMUM GRANT.—The amount distributed to a Tribal College or University under clause (i) shall not be less than $500,000.

''(4) SPECIAL RULES.—

''(A) CONCURRENT FUNDING.—For the purposes of this part, no Tribal College or University that is eligible for and receives funds under this section shall concurrently receive funds under other provisions of this part or part B.

''(B) EXEMPTION.—Section 313(d) shall not apply to institutions that are eligible to receive funds under this section.''.

SEC. 304. ALASKA NATIVE AND NATIVE HAWAIIAN-SERVING INSTITUTIONS.

Section 317(c)(2) (20 U.S.C. 1059d(c)(2)) is amended—

(1) in subparagraph (G), by striking ''and'' after the semicolon;

(2) in subparagraph (H), by striking the period and inserting ''; and''; and

(3) by adding at the end the following:

''(I) education or counseling services designed to improve the financial literacy and economic literacy of students or the students' parents.''.

SEC. 305. NATIVE AMERICAN-SERVING, NONTRIBAL INSTITUTIONS.

(a) GRANT PROGRAM AUTHORIZED.—Part A of title III (20 U.S.C. 1057 et seq.) is amended by adding at the end the following:

''SEC. 318. NATIVE AMERICAN-SERVING, NONTRIBAL INSTITUTIONS.

''(a) PROGRAM AUTHORIZED.—The Secretary shall provide grants and related assistance to Native American-serving, nontribal institutions to enable such institutions to improve and expand their capacity to serve Native Americans.

''(b) DEFINITIONS.—In this section:

''(1) NATIVE AMERICAN.—The term 'Native American' means an individual who is of a tribe, people, or culture that is indigenous to the United States.

''(2) NATIVE AMERICAN-SERVING, NONTRIBAL INSTITUTION.—The term 'Native American-serving, nontribal institution' means an institution of higher education that, at the time of application—

''(A) has an enrollment of undergraduate students that is not less than 10 percent Native American students; and

''(B) is not a Tribal College or University (as defined in section 316).

''(c) AUTHORIZED ACTIVITIES.—

''(1) TYPES OF ACTIVITIES AUTHORIZED.—Grants awarded under this section shall be used by Native American-serving, nontribal institutions to assist such institutions to plan, develop, undertake, and carry out activities to improve and expand such institutions' capacity to serve Native Americans.

''(2) EXAMPLES OF AUTHORIZED ACTIVITIES.—Such programs may include—

''(A) the purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes;

''(B) renovation and improvement in classroom, library, laboratory, and other instructional facilities;

''(C) support of faculty exchanges, and faculty development and faculty fellowships to assist faculty in attaining advanced degrees in the faculty's field of instruction;

''(D) curriculum development and academic instruction;

''(E) the purchase of library books, periodicals, microfilm, and other educational materials;

''(F) funds and administrative management, and acquisition of equipment for use in strengthening funds management;

''(G) the joint use of facilities such as laboratories and libraries; and

''(H) academic tutoring and counseling programs and student support services.

''(d) APPLICATION PROCESS.—

''(1) INSTITUTIONAL ELIGIBILITY.—A Native American-serving, nontribal institution desiring to receive assistance under this section shall submit to the Secretary such enrollment data as may be necessary to demonstrate that the institution is a Native American-serving, nontribal institution, along with such other information and data as the Secretary may by regulation require.

''(2) APPLICATIONS.—

''(A) PERMISSION TO SUBMIT APPLICATIONS.—Any institution that is determined by the Secretary to be a Native American-serving, nontribal institution may submit an application for assistance under this section to the Secretary.

''(B) SIMPLIFIED AND STREAMLINED FORMAT.—The Secretary shall, to the extent possible, prescribe a simplified and streamlined format for applications under this section that takes into account the limited number of institutions that are eligible for assistance under this section.

''(C) CONTENT.—An application submitted under subparagraph (A) shall include—

''(i) a 5-year plan for improving the assistance provided by the Native American-serving, nontribal institution to Native Americans; and

''(ii) such other information and assurances as the Secretary may require.

''(3) SPECIAL RULES.—

''(A) ELIGIBILITY.—No Native American-serving, nontribal institution that receives funds under this section shall concurrently receive funds under other provisions of this part or part B.

''(B) EXEMPTION.—Section 313(d) shall not apply to institutions that are eligible to receive funds under this section.

''(C) DISTRIBUTION.—In awarding grants under this section, the Secretary shall, to the extent possible and consistent with the competitive process under which such grants are awarded, ensure maximum and equitable distribution among all eligible institutions.''.

(b) MINIMUM GRANT AMOUNT.—Section 399 (20 U.S.C. 1068h) is amended by adding at the end the following:

''(c) MINIMUM GRANT AMOUNT.—The minimum amount of a grant under this title shall be $200,000.''.

SEC. 306. PART B DEFINITIONS.

Section 322(4) (20 U.S.C. 1061(4)) is amended by inserting '', in consultation with the Commissioner for Education Statistics'' before ''and the Commissioner''.

SEC. 307. GRANTS TO INSTITUTIONS.

Section 323(a) (20 U.S.C. 1062(a)) is amended—

(1) in the matter preceding paragraph (1), by striking ''360(a)(2)'' and inserting ''399(a)(2)'';

(2) by redesignating paragraphs (7) through (12) as paragraphs (8) through (13), respectively; and

(3) by inserting after paragraph (6) the following:

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

SEC. 308. ALLOTMENTS TO INSTITUTIONS.

Section 324 (20 U.S.C. 1063) is amended by adding at the end the following:

''(h) SPECIAL RULE ON ELIGIBILITY.—Notwithstanding any other provision of this section, a part B institution shall not receive an allotment under this section unless the part B institution provides, on an annual basis, data indicating that the part B institution—

''(1) enrolled Federal Pell Grant recipients in the preceding academic year;

''(2) in the preceding academic year, has graduated students from a program of academic study that is licensed or accredited by a nationally recognized accrediting agency or association recognized by the Secretary pursuant to part H of title IV where appropriate; and

''(3) where appropriate, has graduated students who, within the past 5 years, enrolled in graduate or professional school.''.

SEC. 309. PROFESSIONAL OR GRADUATE INSTITUTIONS.

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

(1) in subsection (c)—

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

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

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

''(5) tutoring, counseling, and student service programs designed to improve academic success;

''(6) education or counseling services designed to improve the financial literacy and economic literacy of students or the students' parents;'';

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

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

(i) by striking ''assist'' and inserting ''assisting''; and

(ii) by striking ''and'' after the semicolon;

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

(G) by adding at the end the following:

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

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

''(B) are approved by the Secretary as part of the review and acceptance of such application.'';

(2) in subsection (e)—

(A) in paragraph (1)—

(i) by inserting a colon after ''the following'';

(ii) in subparagraph (Q), by striking ''and'' at the end;

(iii) in subparagraph (R), by striking the period and inserting a semicolon; and

(iv) by adding at the end the following:

''(S) Alabama State University qualified graduate program;

''(T) Coppin State University qualified graduate program;

''(U) Prairie View A & M University qualified graduate program;

''(V) Fayetteville State University qualified graduate program;

''(W) Delaware State University qualified graduate program;

''(X) Langston University qualified graduate program; and

''(Y) West Virginia State University qualified graduate program.'';

(B) in paragraph (2)(A)—

(i) by inserting ''in law or'' after ''instruction''; and

(ii) by striking ''mathematics, or'' and inserting ''mathematics, psychometrics, or'';

(C) in paragraph (3)—

(i) by striking ''1998'' and inserting ''2007''; and

(ii) by striking ''(Q) and (R)'' and inserting ''(S), (T), (U), (V), (W), (X), and (Y)'';

(3) in subsection (f)—

(A) in paragraph (1), by striking ''(P)'' and inserting ''(R)'';

(B) in paragraph (2), by striking ''(Q) and (R)'' and inserting ''(S), (T), (U), (V), (W), (X), and (Y)''; and

(C) in paragraph (3)—

(i) in the matter preceding subparagraph (A), by striking ''(R)'' and inserting ''(Y)'';

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

''(A) The amount of non-Federal funds for the fiscal year for which the determination is made that the institution or program listed in subsection (e)—

''(i) allocates from institutional resources;

''(ii) secures from non-Federal sources, including amounts appropriated by the State and amounts from the private sector; and

''(iii) will utilize to match Federal funds awarded for the fiscal year for which the determination is made under this section to the institution or program.

''(B) The number of students enrolled in the qualified graduate programs of the eligible institution or program, for which the institution or program received and allocated funding under this section in the preceding year.'';

(iii) in subparagraph (C), by striking ''(or the equivalent) enrolled in the eligible professional or graduate school'' and all that follows through the period and inserting ''enrolled in the qualified programs or institutions listed in paragraph (1).'';

(iv) in subparagraph (D)—

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

(II) by striking ''institution'' and inserting ''institution or program''; and

(v) by striking subparagraph (E) and inserting the following:

''(E) The percentage that the total number of Black American students and minority students who receive their first professional, master's, or doctoral degrees from the institution or program in the academic year preceding the academic year for which the determination is made, represents of the total number of Black American students and minority students in the United States who receive their first professional, master's, or doctoral degrees in the professions or disciplines related to the course of study at such institution or program, respectively, in the preceding academic year.''; and

(4) in subsection (g), by striking ''1998'' and inserting ''2007''.

SEC. 310. AUTHORITY OF THE SECRETARY.

Section 345 (20 U.S.C. 1066d) is amended—

(1) in paragraph (6), by striking ''and'' after the semicolon;

(2) in paragraph (7), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(8) not later than 90 days after the date of enactment of the Higher Education Amendments of 2007, shall submit to the authorizing committees a report on the progress of the Department in implementing the recommendations made by the Government Accountability Office in October 2006 for improving the Historically Black College and Universities Capital Financing Program.''.

SEC. 311. AUTHORIZATION OF APPROPRIATIONS.

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

''(a) AUTHORIZATIONS.—

''(1) PART A.—(A) There are authorized to be appropriated to carry out part A (other than sections 316, 317, and 318) such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

''(B) There are authorized to be appropriated to carry out section 316 such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

''(C) There are authorized to be appropriated to carry out section 317 such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

''(D) There are authorized to be appropriated to carry out section 318 such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

''(2) PART B.—(A) There are authorized to be appropriated to carry out part B (other than section 326) such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

''(B) There are authorized to be appropriated to carry out section 326 such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

''(3) PART C.—There are authorized to be appropriated to carry out part C such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

''(4) PART D.—(A) There are authorized to be appropriated to carry out part D (other than section 345(7), but including section 347) such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

''(B) There are authorized to be appropriated to carry out section 345(7) such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

''(5) PART E.—There are authorized to be appropriated to carry out part E such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.''.

SEC. 312. TECHNICAL CORRECTIONS.

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

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

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

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

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

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

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

TITLE IV—STUDENT ASSISTANCE

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

SEC. 401. FEDERAL PELL GRANTS.

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

(1) in subsection (a)—

(A) in paragraph (1)—

(i) in the first sentence, by striking ''2004'' and inserting ''2013''; and

(ii) in the second sentence, by striking '',,'' and inserting '',''; and

(B) in paragraph (3), by striking ''this subpart'' and inserting ''this section'';

(2) in subsection (b)—

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

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

''(i) $5,400 for academic year 2008–2009;

''(ii) $5,700 for academic year 2009–2010;

''(iii) $6,000 for academic year 2010–2011; and

''(iv) $6,300 for academic year 2011–2012,

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

(B) by striking paragraph (3);

(C) in paragraph (4) (as redesignated by subparagraph (C)), by striking ''$400, except'' and all that follows through the period and inserting ''10 percent of the maximum basic grant level specified in the appropriate Appropriation Act for such academic year, except that a student who is eligible for a Federal Pell Grant in an amount that is equal to or greater than 5 percent of such level but less than 10 percent of such level shall be awarded a Federal Pell grant in the amount of 10 percent of such level.''; and

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

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

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

''(5) The period of time during which a student may receive Federal Pell Grants shall not

exceed 18 semesters, or an equivalent period of time as determined by the Secretary pursuant to regulations, which period shall—

''(A) be determined without regard to whether the student is enrolled on a full-time basis during any portion of the period of time; and

''(B) include any period of time for which the student received a Federal Pell Grant prior to July 1, 2008.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on July 1, 2008.

SEC. 402. ACADEMIC COMPETITIVENESS GRANTS.

Section 401A (20 U.S.C. 1070a–1) is amended—

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

''(a) ACADEMIC COMPETITIVENESS GRANT PROGRAM AUTHORIZED.—The Secretary shall award grants, in the amounts specified in subsection (d)(1), to eligible students to assist the eligible students in paying their college education expenses.'';

(2) in subsection (b)—

(A) in paragraph (1), by striking ''academic''; and

(B) in paragraph (2), by striking ''third or fourth academic'' and inserting ''third, fourth, or fifth'';

(3) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking ''full-time'' and all that follows through ''is made'' and inserting ''student who'';

(B) by striking paragraph (1) and inserting the following:

''(1) is eligible for a Federal Pell Grant for the award year in which the determination of eligibility is made for a grant under this section;'';

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

''(2) is enrolled or accepted for enrollment in an institution of higher education on not less than a half-time basis; and''; and

(D) in paragraph (3)—

(i) by striking subparagraph (A) and inserting the following:

''(A) the first year of a program of undergraduate education at a 2- or 4-year degree-granting institution of higher education (including a program of not less than 1 year for which the institution awards a certificate), has successfully completed, after January 1, 2006, a rigorous secondary school program of study established by a State or local educational agency and recognized as such by the Secretary;'';

(ii) in subparagraph (B)—

(I) in the matter preceding clause (i), by striking ''academic'' and all that follows through ''higher education'' and inserting ''year of a program of undergraduate education at a 2- or 4-year degree-granting institution of higher education (including a program of not less than 2 years for which the institution awards a certificate)''; and

(II) in clause (ii)—

(aa) by striking ''academic''; and

(bb) by striking ''or'' after the semicolon at the end;

(iii) in subparagraph (C)—

(I) by striking ''academic'';

(II) by striking ''four'' and inserting ''4'';

(III) by striking clause (i)(II) and inserting the following:

''(II) a critical foreign language; and''; and

(IV) in clause (ii), by striking the period at the end and inserting a semicolon; and

(iv) by adding at the end the following:

''(D) the third or fourth year of a program of undergraduate education at an institution of higher education (as defined in section 101(a)) that demonstrates, to the satisfaction of the Secretary, that the institution—

''(i) offers a single liberal arts curriculum leading to a baccalaureate degree, under which students are not permitted by the institution to declare a major in a particular subject area, but do study, in such years, a subject described in subparagraph (C)(i) that is at least equal to the requirements for an academic major at an institution of higher education that offers a baccalaureate degree in such subject, as certified by the appropriate official of the demonstrating institution; and

''(ii) offered such curriculum prior to February 8, 2006; or

''(E) the fifth year of a program of undergraduate education that requires 5 full years of coursework for which a baccalaureate degree is awarded by a degree-granting institution of higher education, as certified by the appropriate official of such institution—

''(i) is pursuing a major in—

''(I) the physical, life, or computer sciences, mathematics, technology, or engineering (as determined by the Secretary pursuant to regulations); or

''(II) a critical foreign language; and

''(ii) has obtained a cumulative grade point average of at least 3.0 (or the equivalent, as determined under regulations prescribed by the Secretary) in the coursework required for the major described in clause (i).'';

(4) in subsection (d)—

(A) in paragraph (1)—

(i) in subparagraph (A)—

(I) by striking ''The'' and inserting ''IN GENERAL.—The'';

(II) in clause (ii), by striking ''or'' after the semicolon at the end;

(III) in clause (iii), by striking ''subsection (c)(3)(C).'' and inserting ''subparagraph (C) or (D) of subsection (c)(3), for each of the 2 years described in such subparagraphs; or''; and

(IV) by adding at the end the following:

''(iv) $4,000 for an eligible student under subsection (c)(3)(E).''; and

(ii) in subparagraph (B)—

(I) by striking ''Notwithstanding'' and inserting ''LIMITATION; RATABLE REDUCTION.—Notwithstanding'';

(II) by redesignating clauses (i), (ii), and (iii), as clauses (ii), (iii), and (iv), respectively; and

(III) by inserting before clause (ii), as redesignated under subclause (II), the following:

''(i) in any case in which a student attends an institution of higher education on less than a full-time basis, the amount of the grant that such student may receive shall be reduced in the same manner as a Federal Pell Grant is reduced under section 401(b)(2)(B);'';

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

''(2) LIMITATIONS.—

''(A) NO GRANTS FOR PREVIOUS CREDIT.—The Secretary may not award a grant under this section to any student for any year of a program of undergraduate education for which the student received credit before the date of enactment of the Higher Education Reconciliation Act of 2005.

''(B) NUMBER OF GRANTS.—

''(i) FIRST YEAR.—In the case of a student described in subsection (c)(3)(A), the Secretary may not award more than 1 grant to such student for such first year of study.

''(ii) SECOND YEAR.—In the case of a student described in subsection (c)(3)(B), the Secretary may not award more than 1 grant to such student for such second year of study.

''(iii) THIRD AND FOURTH YEARS.—In the case of a student described in subparagraph (C) or (D) of subsection (c)(3), the Secretary may not award more than 1 grant to such student for each of the third and fourth years of study.

''(iv) FIFTH YEAR.—In the case of a student described in subsection (c)(3)(E), the Secretary may not award more than 1 grant to such student for such fifth year of study.''; and

(C) by adding at the end the following:

''(3) CALCULATION OF GRANT PAYMENTS.—An institution of higher education shall make payments of a grant awarded under this section in the same manner, using the same payment periods, as such institution makes payments for Federal Pell Grants under section 401.'';

(5) by striking subsection (e)(2) and inserting the following:

''(2) AVAILABILITY OF FUNDS.—Funds made available under paragraph (1) for a fiscal year shall remain available for the succeeding fiscal year.'';

(6) in subsection (f)—

(A) by striking ''at least one'' and inserting ''not less than 1''; and

(B) by striking ''subsection (c)(3)(A) and (B)'' and inserting ''subparagraphs (A) and (B) of subsection (c)(3)''; and

(7) in subsection (g), by striking ''academic'' and inserting ''award''.

SEC. 403. FEDERAL TRIO PROGRAMS.

(a) PROGRAM AUTHORITY; AUTHORIZATION OF APPROPRIATIONS.—Section 402A (20 U.S.C. 1070a–11) is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking ''4'' and inserting ''5'';

(ii) by striking subparagraph (A); and

(iii) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

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

''(3) MINIMUM GRANTS.—Unless the institution or agency requests a smaller amount, an individual grant authorized under this chapter shall be awarded in an amount that is not less than $200,000, except that an individual grant authorized under section 402G shall be awarded in an amount that is not less than $170,000.'';

(2) in subsection (c)—

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

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

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

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

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

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

''(f) OUTCOME CRITERIA.—

''(1) USE FOR PRIOR EXPERIENCE DETERMINATION.—The Secretary shall use the outcome criteria described in paragraphs (2) and (3) to evaluate the programs provided by a recipient of a grant under this chapter, and the Secretary shall determine an eligible entity's prior experience of high quality service delivery, as required under subsection (c)(2), based on the outcome criteria.

''(2) DISAGGREGATION OF RELEVANT DATA.—The outcome criteria under this subsection shall be disaggregated by low-income students, first generation college students, and individuals with disabilities, in the schools and institutions of higher education served by the program to be evaluated.

''(3) CONTENTS OF OUTCOME CRITERIA.—The outcome criteria under this subsection shall measure, annually and for longer periods, the quality and effectiveness of programs authorized under this chapter and shall include the following:

''(A) For programs authorized under section 402B, the extent to which the eligible entity met or exceeded the entity's objectives established in the entity's application for such program regarding—

''(i) the delivery of service to a total number of students served by the program;

''(ii) the continued secondary school enrollment of such students;

''(iii) the graduation of such students from secondary school;

''(iv) the enrollment of such students in an institution of higher education; and

''(v) to the extent practicable, the postsecondary education completion of such students.

''(B) For programs authorized under section 402C, the extent to which the eligible entity met

or exceeded the entity's objectives for such program regarding—

''(i) the delivery of service to a total number of students served by the program, as agreed upon by the entity and the Secretary for the period;

''(ii) such students' school performance, as measured by the grade point average, or its equivalent;

''(iii) such students' academic performance, as measured by standardized tests, including tests required by the students' State;

''(iv) the retention in, and graduation from, secondary school of such students; and

''(v) the enrollment of such students in an institution of higher education.

''(C) For programs authorized under section 402D—

''(i) the extent to which the eligible entity met or exceeded the entity's objectives regarding the retention in postsecondary education of the students served by the program;

''(ii)(I) in the case of an entity that is an institution of higher education offering a baccalaureate degree, the extent to which the entity met or exceeded the entity's objectives regarding such students' completion of the degree programs in which such students were enrolled; or

''(II) in the case of an entity that is an institution of higher education that does not offer a baccalaureate degree, the extent to which the entity met or exceeded the entity's objectives regarding—

''(aa) the completion of a degree or certificate by such students; and

''(bb) the transfer of such students to institutions of higher education that offer baccalaureate degrees;

''(iii) the extent to which the entity met or exceeded the entity's objectives regarding the delivery of service to a total number of students, as agreed upon by the entity and the Secretary for the period; and

''(iv) the extent to which the entity met or exceeded the entity's objectives regarding such students remaining in good academic standing.

''(D) For programs authorized under section 402E, the extent to which the entity met or exceeded the entity's objectives for such program regarding—

''(i) the delivery of service to a total number of students, as agreed upon by the entity and the Secretary for the period;

''(ii) the provision of appropriate scholarly and research activities for the students served by the program;

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

''(iv) the continued enrollment of such students in graduate study and the attainment of doctoral degrees by former program participants.

''(E) For programs authorized under section 402F, the extent to which the entity met or exceeded the entity's objectives for such program regarding—

''(i) the enrollment of students without a secondary school diploma or its recognized equivalent, who were served by the program, in programs leading to such diploma or equivalent;

''(ii) the enrollment of secondary school graduates who were served by the program in programs of postsecondary education;

''(iii) the delivery of service to a total number of students, as agreed upon by the entity and the Secretary for the period; and

''(iv) the provision of assistance to students served by the program in completing financial aid applications and college admission applications.

''(4) MEASUREMENT OF PROGRESS.—In order to determine the extent to which an outcome criterion described in paragraphs (2) or (3) is met or exceeded, an eligible entity receiving assistance under this chapter shall compare the eligible entity's target for the criterion, as established in the eligible entity's application, with the results for the criterion, measured as of the last day of the applicable time period for the determination.'';

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

(A) in the first sentence, by striking ''$700,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.''; and

(B) by striking the fourth sentence; and

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

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

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

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

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

''(B) is permanent in nature; and

''(C) offers courses in educational programs leading to a degree, certificate, or other recognized educational credential.

''(2) DIFFERENT POPULATION.—The term 'different population' means a group of individuals, with respect to whom an eligible entity desires to serve through an application for a grant under this chapter, that—

''(A) is separate and distinct from any other population that the entity has applied for a grant under this chapter to serve; or

''(B) while sharing some of the same needs as another population that the eligible entity has applied for a grant under this chapter to serve, has distinct needs for specialized services.'';

(C) in paragraph (5) (as redesignated by subparagraph (A))—

(i) in subparagraph (A), by striking ''or'' after the semicolon;

(ii) in subparagraph (B), by striking the period at the end and inserting ''; or''; and

(iii) by adding at the end the following:

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

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

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

(1) in subsection (a)—

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

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

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

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

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

''(b) REQUIRED SERVICES.—Any project assisted under this section shall provide—

''(1) academic tutoring, or connections to high quality academic tutoring services, to enable students to complete secondary or postsecondary courses, which may include instruction in reading, writing, study skills, mathematics, science, and other subjects;

''(2) advice and assistance in secondary course selection and, if applicable, initial postsecondary course selection;

''(3) assistance in preparing for college entrance examinations and completing college admission applications;

''(4)(A) information on both the full range of Federal student financial aid programs (including Federal Pell Grant awards and loan forgiveness) and resources for locating public and private scholarships; and

''(B) assistance in completing financial aid applications, including the Free Application for Federal Student Aid described in section 483(a);

''(5) guidance on and assistance in—

''(A) secondary school reentry;

''(B) alternative education programs for secondary school dropouts that lead to the receipt of a regular secondary school diploma;

''(C) entry into general educational development (GED) programs; or

''(D) postsecondary education; and

''(6) education or counseling services designed to improve the financial literacy and economic literacy of students or the students' parents, including financial planning for postsecondary education.

''(c) PERMISSIBLE SERVICES.—Any project assisted under this section may provide services such as—

''(1) personal and career counseling or activities;

''(2) information and activities designed to acquaint youths with the range of career options available to the youths;

''(3) exposure to the campuses of institutions of higher education, as well as cultural events, academic programs, and other sites or activities not usually available to disadvantaged youth;

''(4) workshops and counseling for families of students served;

''(5) mentoring programs involving elementary or secondary school teachers or counselors, faculty members at institutions of higher education, students, or any combination of such persons; and

''(6) programs and activities as described in subsection (b) or paragraphs (1) through (5) of this subsection that are specially designed for students who are limited English proficient, students with disabilities, students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)), or students who are in foster care or are aging out of the foster care system.''; and

(4) in the matter preceding paragraph (1) of subsection (d) (as redesignated by paragraph (2)), by striking ''talent search projects under this chapter'' and inserting ''projects under this section''.

(c) UPWARD BOUND.—Section 402C (20 U.S.C. 1070a–13) is amended—

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

''(b) REQUIRED SERVICES.—Any project assisted under this section shall provide—

''(1) academic tutoring to enable students to complete secondary or postsecondary courses, which may include instruction in reading, writing, study skills, mathematics, science, and other subjects;

''(2) advice and assistance in secondary and postsecondary course selection;

''(3) assistance in preparing for college entrance examinations and completing college admission applications;

''(4)(A) information on both the full range of Federal student financial aid programs (including Federal Pell Grant awards and loan forgiveness) and resources for locating public and private scholarships; and

''(B) assistance in completing financial aid applications, including the Free Application for Federal Student Aid described in section 483(a);

''(5) guidance on and assistance in—

''(A) secondary school reentry;

''(B) alternative education programs for secondary school dropouts that lead to the receipt of a regular secondary school diploma;

''(C) entry into general educational development (GED) programs; or

''(D) postsecondary education; and

''(6) education or counseling services designed to improve the financial literacy and economic literacy of students or the students' parents, including financial planning for postsecondary education.'';

(2) in subsection (c)—

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

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

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

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

''(d) PERMISSIBLE SERVICES.—Any project assisted under this section may provide such services as—

''(1) exposure to cultural events, academic programs, and other activities not usually available to disadvantaged youth;

''(2) information, activities and instruction designed to acquaint youths participating in the project with the range of career options available to the youths;

''(3) on-campus residential programs;

''(4) mentoring programs involving elementary school or secondary school teachers or counselors, faculty members at institutions of higher education, students, or any combination of such persons;

''(5) work-study positions where youth participating in the project are exposed to careers requiring a postsecondary degree;

''(6) special services to enable veterans to make the transition to postsecondary education; and

''(7) programs and activities as described in subsection (b), subsection (c), or paragraphs (1) through (6) of this subsection that are specially designed for students who are limited English proficient, students with disabilities, students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)), or students who are in foster care or are aging out of the foster care system.

''(e) PRIORITY.—In providing assistance under this section the Secretary—

''(1) shall give priority to projects assisted under this section that select not less than 30 percent of all first-time participants in the projects from students who have a high academic risk for failure; and

''(2) shall not deny participation in a project assisted under this section to a student because the student will enter the project after the 9th grade.'';

(5) in the matter preceding paragraph (1) of subsection (f) (as redesignated by paragraph (3)), by striking ''upward bound projects under this chapter'' and inserting ''projects under this section''; and

(6) in subsection (g) (as redesignated by paragraph (3))—

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

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

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

(1) in subsection (a)—

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

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

''(3) to foster an institutional climate supportive of the success of low-income and first generation college students, students with disabilities, students who are limited English proficient, students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)), and students who are in foster care or are aging out of the foster care system.''; and

(C) by adding at the end the following:

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

''(A) basic personal income, household money management, and financial planning skills; and

''(B) basic economic decisionmaking skills.'';

(2) by redesignating subsections (c) and (d) as subsections (d) and (e);

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

''(b) REQUIRED SERVICES.—A project assisted under this section shall provide—

''(1) academic tutoring to enable students to complete postsecondary courses, which may include instruction in reading, writing, study skills, mathematics, science, and other subjects;

''(2) advice and assistance in postsecondary course selection;

''(3)(A) information on both the full range of Federal student financial aid programs (including Federal Pell Grant awards and loan forgiveness) and resources for locating public and private scholarships; and

''(B) assistance in completing financial aid applications, including the Free Application for Federal Student Aid described in section 483(a);

''(4) education or counseling services designed to improve the financial literacy and economic literacy of students, including financial planning for postsecondary education;

''(5) activities designed to assist students participating in the project in securing college admission and financial assistance for enrollment in graduate and professional programs; and

''(6) activities designed to assist students enrolled in 2-year institutions of higher education in securing admission and financial assistance for enrollment in a 4-year program of postsecondary education.

''(c) PERMISSIBLE SERVICES.—A project assisted under this section may provide services such as—

''(1) consistent, individualized personal, career, and academic counseling, provided by assigned counselors;

''(2) information, activities, and instruction designed to acquaint youths participating in the project with the range of career options available to the students;

''(3) exposure to cultural events and academic programs not usually available to disadvantaged students;

''(4) activities designed to acquaint students participating in the project with the range of career options available to the students;

''(5) mentoring programs involving faculty or upper class students, or a combination thereof;

''(6) securing temporary housing during breaks in the academic year for students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)) or were formerly homeless children and youths and students who are in foster care or are aging out of the foster care system; and

''(7) programs and activities as described in subsection (b) or paragraphs (1) through (5) of this subsection that are specially designed for students who are limited English proficient, students with disabilities, students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)) or were formerly homeless children and youths, or students who are in foster care or are aging out of the foster care system.'';

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

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

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

(1) in subsection (b)—

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

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

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

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

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

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

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

''(c) PERMISSIBLE SERVICES.—A project assisted under this section may provide services such as—

''(1) education or counseling services designed to improve the financial literacy and economic literacy of students, including financial planning for postsecondary education;

''(2) mentoring programs involving faculty members at institutions of higher education, students, or any combination of such persons; and

''(3) exposure to cultural events and academic programs not usually available to disadvantaged students.'';

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

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

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

(A) by striking ''402A(f)'' and inserting ''402A(g)''; and

(B) by striking ''1993 through 1997'' and inserting ''2007 through 2012''.

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

(1) in subsection (a)—

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

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

(C) by adding at the end the following:

''(3) to improve the financial literacy and economic literacy of students, including—

''(A) basic personal income, household money management, and financial planning skills; and

''(B) basic economic decisionmaking skills.''; and

(2) in subsection (b)—

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

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

''(5) education or counseling services designed to improve the financial literacy and economic literacy of students;'';

(C) by striking paragraph (7) (as redesignated by subparagraph (A)) and inserting the following:

''(7) individualized personal, career, and academic counseling;''; and

(D) by striking paragraph (11) (as redesignated by subparagraph (A)) and inserting the following:

''(11) programs and activities as described in paragraphs (1) through (10) that are specially designed for students who are limited English proficient, students with disabilities, or students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)), or programs and activities for students who are in foster care or are aging out of the foster care system.''.

(g) STAFF DEVELOPMENT ACTIVITIES.—Section 402G(b)(3) (20 U.S.C. 1070a–17(b)(3)) is amended by inserting '', including strategies for recruiting and serving students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)) and students who are in foster care or are aging out of the foster care system'' before the period at the end.

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

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

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

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

"(a) REPORTS TO THE AUTHORIZING COMMITTEES.—The Secretary shall submit annually, to the authorizing committees, a report that documents the performance of all programs funded under this chapter. The report shall—

"(1) be submitted not later than 24 months after the eligible entities receiving funds under this chapter are required to report their performance to the Secretary;

"(2) focus on the programs' performance on the relevant outcome criteria determined under section 402A(f)(4);

"(3) aggregate individual project performance data on the outcome criteria in order to provide national performance data for each program;

"(4) include, when appropriate, descriptive data, multi-year data, and multi-cohort data; and

"(5) include comparable data on the performance nationally of low-income students, first-generation students, and students with disabilities."; and

(4) in subsection (b) (as redesignated by paragraph (2)), by striking paragraph (2) and inserting the following:

"(2) PRACTICES.—

"(A) IN GENERAL.—The evaluations described in paragraph (1) shall identify institutional, community, and program or project practices that are particularly effective in—

"(i) enhancing the access of low-income individuals and first-generation college students to postsecondary education;

"(ii) the preparation of the individuals and students for postsecondary education; and

"(iii) fostering the success of the individuals and students in postsecondary education.

"(B) PRIMARY PURPOSE.—Any evaluation conducted under this chapter shall have as its primary purpose the identification of particular practices that further the achievement of the outcome criteria determined under section 402A(f)(4).

"(C) DISSEMINATION AND USE OF EVALUATION FINDINGS.—The Secretary shall disseminate to eligible entities and make available to the public the practices identified under subparagraph (B). The practices may be used by eligible entities that receive assistance under this chapter after the dissemination.

"(3) EVALUATION SPECIAL RULES.—

"(A) RECRUITMENT.—The Secretary shall not require an eligible entity desiring to receive assistance under this chapter to recruit students to serve as a control group for purposes of evaluating any program or project assisted under this chapter.

"(B) PERMISSIBLE PRIORITY.—If the Secretary elects to provide for the conduct of an evaluation of a program or project under this chapter using a control group, then the Secretary may give priority in providing assistance under this chapter, subject to section 402C(e), to an eligible entity that elects to participate in such an evaluation.".

SEC. 404. GAINING EARLY AWARENESS AND READINESS FOR UNDERGRADUATE PROGRAMS.

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

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

"(a) PROGRAM AUTHORIZED.—The Secretary is authorized, in accordance with the requirements of this chapter, to establish a program that encourages eligible entities to provide support to eligible low-income students to assist the students in obtaining a secondary school diploma (or its recognized equivalent) and to prepare for and succeed in postsecondary education, by providing—

"(1) financial assistance, academic support, additional counseling, mentoring, outreach, and supportive services to middle school and secondary school students to reduce—

"(A) the risk of such students dropping out of school; or

"(B) the need for remedial education for such students at the postsecondary level; and

"(2) information to students and their parents about the advantages of obtaining a postsecondary education and the college financing options for the students and their parents.";

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

"(A) give priority to eligible entities that have a prior, demonstrated commitment to early intervention leading to college access through collaboration and replication of successful strategies;"; and

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

"(2) a partnership—

"(A) consisting of—

"(i) 1 or more local educational agencies; and

"(ii) 1 or more degree granting institutions of higher education; and

"(B) which may include not less than 2 other community organizations or entities, such as businesses, professional organizations, State agencies, institutions or agencies sponsoring programs authorized under subpart 4, or other public or private agencies or organizations.".

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

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

"(a) FUNDING RULES.—

"(1) DISTRIBUTION.—In awarding grants from the amount appropriated under section 404G for a fiscal year, the Secretary shall take into consideration—

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

"(B) the distribution of such awards between urban and rural applicants.

"(2) SPECIAL RULE.—The Secretary shall annually reevaluate the distribution of funds described in paragraph (1) based on number, quality, and promise of the applications.";

(2) by striking subsections (b), (e), and (f);

(3) by redesignating subsections (c), (d), and (g) as subsections (b), (c), and (d), respectively; and

(4) by adding at the end the following:

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

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

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

(2) in subsection (a)—

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

(B) in paragraph (1)—

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

(ii) by striking the second sentence; and

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

"(2) CONTENTS.—Each application submitted pursuant to paragraph (1) shall be in such form, contain or be accompanied by such information or assurances, and be submitted at such time as the Secretary may require. Each such application shall, at a minimum—

"(A) describe the activities for which assistance under this chapter is sought, including how the eligible entity will carry out the required activities described in section 404D(a);

"(B) describe how the eligible agency will meet the requirements of section 404E;

"(C) provide assurances that adequate administrative and support staff will be responsible for coordinating the activities described in section 404D;

"(D) ensure that activities assisted under this chapter will not displace an employee or eliminate a position at a school assisted under this chapter, including a partial displacement such as a reduction in hours, wages or employment benefits;

"(E) describe, in the case of an eligible entity described in section 404A(c)(2), how the eligible entity will define the cohorts of the students served by the eligible entity pursuant to section 404B(d), and how the eligible entity will serve the cohorts through grade 12, including—

"(i) how vacancies in the program under this chapter will be filled; and

"(ii) how the eligible entity will serve students attending different secondary schools;

"(F) describe how the eligible entity will coordinate programs with other existing Federal, State, or local programs to avoid duplication and maximize the number of students served;

"(G) provide such additional assurances as the Secretary determines necessary to ensure compliance with the requirements of this chapter; and

"(H) provide information about the activities that will be carried out by the eligible entity to support systemic changes from which future cohorts of students will benefit.";

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

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

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

(4) in subsection (c)(1), by striking the semicolon at the end and inserting "including—

"(A) the amount contributed to a student scholarship fund established under section 404E; and

"(B) the amount of the costs of administering the scholarship program under section 404E;".

(d) ACTIVITIES.—Section 404D (20 U.S.C. 1070a–24) is amended to read as follows:

"SEC. 404D. ACTIVITIES.

"(a) REQUIRED ACTIVITIES.—Each eligible entity receiving a grant under this chapter shall carry out the following:

"(1) Provide information regarding financial aid for postsecondary education to participating students in the cohort described in subsection 404B(d)(1)(A).

"(2) Encourage student enrollment in rigorous and challenging curricula and coursework, in order to reduce the need for remedial coursework at the postsecondary level.

"(3) Support activities designed to improve the number of participating students who—

"(A) obtain a secondary school diploma; and

"(B) complete applications for and enroll in a program of postsecondary education.

"(4) In the case of an eligible entity described in section 404A(c)(1), provide for the scholarships described in section 404E.

"(b) OPTIONAL ACTIVITIES FOR STATES AND PARTNERSHIPS.—An eligible entity that receives a grant under this chapter may use grant funds to carry out 1 or more of the following activities:

"(1) Providing tutoring and supporting mentors, including adults or former participants of a program under this chapter, for eligible students.

"(2) Conducting outreach activities to recruit priority students described in subsection (d) to participate in program activities.

"(3) Providing supportive services to eligible students.

"(4) Supporting the development or implementation of rigorous academic curricula, which may include college preparatory, Advanced Placement, or International Baccalaureate programs, and providing participating students access to rigorous core courses that reflect challenging State academic standards.

''(5) Supporting dual or concurrent enrollment programs between the secondary school and institution of higher education partners of an eligible entity described in section 404A(c)(2), and other activities that support participating students in—

''(A) meeting challenging academic standards;

''(B) successfully applying for postsecondary education;

''(C) successfully applying for student financial aid; and

''(D) developing graduation and career plans.

''(6) Providing support for scholarships described in section 404E.

''(7) Introducing eligible students to institutions of higher education, through trips and school-based sessions.

''(8) Providing an intensive extended school day, school year, or summer program that offers—

''(A) additional academic classes; or

''(B) assistance with college admission applications.

''(9) Providing other activities designed to ensure secondary school completion and postsecondary education enrollment of at-risk children, such as—

''(A) the identification of at-risk children;

''(B) after-school and summer tutoring;

''(C) assistance to at-risk children in obtaining summer jobs;

''(D) academic counseling;

''(E) volunteer and parent involvement;

''(F) encouraging former or current participants of a program under this chapter to serve as peer counselors;

''(G) skills assessments;

''(H) personal counseling;

''(I) family counseling and home visits;

''(J) staff development; and

''(K) programs and activities described in this subsection that are specially designed for students who are limited English proficient.

''(10) Enabling eligible students to enroll in Advanced Placement or International Baccalaureate courses, or college entrance examination preparation courses.

''(11) Providing services to eligible students in the participating cohort described in section 404B(d)(1)(A), through the first year of attendance at an institution of higher education.

''(c) ADDITIONAL OPTIONAL ACTIVITIES FOR STATES.—In addition to the required activities described in subsection (a) and the optional activities described in subsection (b), an eligible entity described in section 404A(c)(1) receiving funds under this chapter may use grant funds to carry out 1 or more of the following activities:

''(1) Providing technical assistance to—

''(A) middle schools or secondary schools that are located within the State; or

''(B) partnerships described in section 404A(c)(2) that are located within the State.

''(2) Providing professional development opportunities to individuals working with eligible cohorts of students described in section 404B(d)(1)(A).

''(3) Providing strategies and activities that align efforts in the State to prepare eligible students for attending and succeeding in postsecondary education, which may include the development of graduation and career plans.

''(4) Disseminating information on the use of scientifically based research and best practices to improve services for eligible students.

''(5)(A) Disseminating information on effective coursework and support services that assist students in obtaining the goals described in subparagraph (B)(ii).

''(B) Identifying and disseminating information on best practices with respect to—

''(i) increasing parental involvement; and

''(ii) preparing students, including students with disabilities and students who are limited English proficient, to succeed academically in, and prepare financially for, postsecondary education.

''(6) Working to align State academic standards and curricula with the expectations of postsecondary institutions and employers.

''(7) Developing alternatives to traditional secondary school that give students a head start on attaining a recognized postsecondary credential (including an industry certificate, an apprenticeship, or an associate's or a bachelor's degree), including school designs that give students early exposure to college-level courses and experiences and allow students to earn transferable college credits or an associate's degree at the same time as a secondary school diploma.

''(8) Creating community college programs for drop-outs that are personalized drop-out recovery programs that allow drop-outs to complete a regular secondary school diploma and begin college-level work.

''(d) PRIORITY STUDENTS.—For eligible entities not using a cohort approach, the eligible entity shall treat as priority students any student in middle or secondary school who is eligible—

''(1) to be counted under section 1124(c) of the Elementary and Secondary Education Act of 1965;

''(2) for free or reduced price meals under the Richard B. Russell National School Lunch Act;

''(3) for assistance under a State program funded under part A or E of title IV of the Social Security Act (42 U.S.C. 601 et seq., 670 et seq.); or

''(4) for assistance under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 et seq.).

''(e) ALLOWABLE PROVIDERS.—In the case of eligible entities described in section 404A(c)(1), the activities required by this section may be provided by service providers such as community-based organizations, schools, institutions of higher education, public and private agencies, nonprofit and philanthropic organizations, businesses, institutions and agencies sponsoring programs authorized under subpart 4, and other organizations the State determines appropriate.''.

(e) SCHOLARSHIP COMPONENT.—Section 404E (20 U.S.C. 1070a–25) is amended—

(1) by striking subsections (e) and (f);

(2) by redesignating subsections (b), (c), and (d) as subsections (d), (f), and (g), respectively;

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

''(b) LIMITATION.—

''(1) IN GENERAL.—Subject to paragraph (2), each eligible entity described in section 404A(c)(1) that receives a grant under this chapter shall use not less than 25 percent and not more than 50 percent of the grant funds for activities described in section 404D (except for the activity described in subsection (a)(4) of such section), with the remainder of such funds to be used for a scholarship program under this section in accordance with such subsection.

''(2) EXCEPTION.—Notwithstanding paragraph (1), the Secretary may allow an eligible entity to use more than 50 percent of grant funds received under this chapter for such activities, if the eligible entity demonstrates that the eligible entity has another means of providing the students with the financial assistance described in this section and describes such means in the application submitted under section 404C.

''(c) NOTIFICATION OF ELIGIBILITY.—Each eligible entity providing scholarships under this section shall provide information on the eligibility requirements for the scholarships to all participating students upon the students' entry into the programs assisted under this chapter.'';

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

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

''(e) PORTABILITY OF ASSISTANCE.—

''(1) IN GENERAL.—Each eligible entity described in section 404A(c)(1) that receives a grant under this chapter shall create or organize a trust for each cohort described in section 404B(d)(1)(A) for which the grant is sought in the application submitted by the entity, which trust shall be an amount that is not less than the minimum scholarship amount described in subsection (d), multiplied by the number of students participating in the cohort.

''(2) REQUIREMENT FOR PORTABILITY.—Funds contributed to the trust for a cohort shall be available to a student in the cohort when the student has—

''(A) completed a secondary school diploma, its recognized equivalent, or other recognized alternative standard for individuals with disabilities; and

''(B) enrolled in an institution of higher education.

''(3) QUALIFIED EDUCATIONAL EXPENSES.—Funds available to an eligible student from a trust may be used for—

''(A) tuition, fees, books, supplies, and equipment required for the enrollment or attendance of the eligible student at an institution of higher education; and

''(B) in the case of an eligible student with special needs, expenses for special needs services which are incurred in connection with such enrollment or attendance.

''(4) RETURN OF FUNDS.—

''(A) REDISTRIBUTION.—

''(i) IN GENERAL.—Trust funds that are not used by an eligible student within 6 years of the student's scheduled completion of secondary school may be redistributed by the eligible entity to other eligible students.

''(ii) RETURN OF EXCESS TO THE SECRETARY.—If, after meeting the requirements of paragraph (1) and, if applicable, redistributing excess funds in accordance with clause (i), an eligible entity has funds remaining, the eligible entity shall return excess funds to the Secretary for distribution to other grantees under this chapter.

''(B) NONPARTICIPATING ENTITY.—Notwithstanding subparagraph (A), in the case of an eligible entity described in section 404A(c)(1)(A) that does not receive assistance under this subpart for 6 fiscal years, the eligible entity shall return any trust funds not awarded or obligated to eligible students to the Secretary for distribution to other grantees under this chapter.''; and

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

(A) in paragraph (2), by striking ''1993'' and inserting ''2001''; and

(B) in paragraph (4), by striking ''early intervention component required under section 404D'' and inserting ''activities required under section 404D(a)''.

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

(1) by striking section 404F; and

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

(g) AUTHORIZATION OF APPROPRIATIONS.—Section 404G (as redesignated by subsection (f)) (20 U.S.C. 1070a–28) is amended by striking ''$200,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.''.

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

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

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

(3) in section 404F(c) (as redesignated by subsection (f)(2)), by striking ''404H'' and inserting ''404G''.

SEC. 405. ACADEMIC ACHIEVEMENT INCENTIVE SCHOLARSHIPS.

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

SEC. 406. FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS.

(a) APPROPRIATIONS AUTHORIZED.—Section 413A(b)(1) (20 U.S.C. 1070b(b)(1)) is amended by striking ''$675,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.''.

(b) ALLOCATION OF FUNDS.—

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

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

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

(2) TECHNICAL CORRECTION.—Section 413D(a)(1) (20 U.S.C. 1070b–3(a)(1)) is amended by striking ''such institution'' and all that follows through the period and inserting ''such institution received under subsections (a) and (b) of this section for fiscal year 1999 (as such subsections were in effect with respect to allocations for such fiscal year).''.

SEC. 407. LEVERAGING EDUCATIONAL ASSISTANCE PARTNERSHIP PROGRAM.

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

''(1) IN GENERAL.—There are authorized to be appropriated to carry out this subpart such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.''.

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

(1) in the matter preceding subparagraph (A) of paragraph (2), by striking ''not in excess of $5,000 per academic year'' and inserting ''not to exceed the lesser of $12,500 or the student's cost of attendance per academic year''; and

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

''(10) provides notification to eligible students that such grants are—

''(A) Leveraging Educational Assistance Partnership grants; and

''(B) funded by the Federal Government, the State, and other contributing partners.''.

(c) GRANTS FOR ACCESS AND PERSISTENCE.—Section 415E (20 U.S.C. 1070c–3a) is amended to read as follows:

''SEC. 415E. GRANTS FOR ACCESS AND PERSISTENCE.

''(a) PURPOSE.—It is the purpose of this section to expand college access and increase college persistence by making allotments to States to enable the States to—

''(1) expand and enhance partnerships with institutions of higher education, early information and intervention, mentoring, or outreach programs, private corporations, philanthropic organizations, and other interested parties in order to—

''(A) carry out activities under this section; and

''(B) provide coordination and cohesion among Federal, State, and local governmental and private efforts that provide financial assistance to help low-income students attend an institution of higher education;

''(2) provide need-based grants for access and persistence to eligible low-income students;

''(3) provide early notification to low-income students of the students' eligibility for financial aid; and

''(4) encourage increased participation in early information and intervention, mentoring, or outreach programs.

''(b) ALLOTMENTS TO STATES.—

''(1) IN GENERAL.—

''(A) AUTHORIZATION.—From sums reserved under section 415A(b)(2) for each fiscal year, the Secretary shall make an allotment to each State that submits an application for an allotment in accordance with subsection (c) to enable the State to pay the Federal share, as described in paragraph (2), of the cost of carrying out the activities under subsection (d).

''(B) DETERMINATION OF ALLOTMENT.—In making allotments under subparagraph (A), the Secretary shall consider the following:

''(i) CONTINUATION OF AWARD.—If a State continues to meet the specifications established in such State's application under subsection (c), the Secretary shall make an allotment to such State that is not less than the allotment made to such State for the previous fiscal year.

''(ii) PRIORITY.—The Secretary shall give priority in making allotments to States that meet the requirements described in paragraph (2)(A)(ii).

''(2) FEDERAL SHARE.—

''(A) IN GENERAL.—The Federal share under this section shall be determined in accordance with the following:

''(i) If a State applies for an allotment under this section in partnership with—

''(I) any number of degree granting institutions of higher education in the State whose combined full-time enrollment represents less than a majority of all students attending institutions of higher education in the State; and

''(II)(aa) philanthropic organizations that are located in, or that provide funding in, the State; or

''(bb) private corporations that are located in, or that do business in, the State,

then the Federal share of the cost of carrying out the activities under subsection (d) shall be equal to 50 percent.

''(ii) If a State applies for an allotment under this section in partnership with—

''(I) any number of degree granting institutions of higher education in the State whose combined full-time enrollment represents a majority of all students attending institutions of higher education in the State; and

''(II)(aa) philanthropic organizations that are located in, or that provide funding in, the State; or

''(bb) private corporations that are located in, or that do business in, the State,

then the Federal share of the cost of carrying out the activities under subsection (d) shall be equal to 57 percent.

''(B) NON-FEDERAL SHARE.—

''(i) IN GENERAL.—The non-Federal share under this section may be provided in cash or in kind, fully evaluated and in accordance with this subparagraph.

''(ii) IN KIND CONTRIBUTION.—For the purpose of calculating the non-Federal share under this section, an in kind contribution is a non-cash award that has monetary value, such as provision of room and board and transportation passes, and that helps a student meet the cost of attendance.

''(iii) EFFECT ON NEED ANALYSIS.—For the purpose of calculating a student's need in accordance with part F of this title, an in-kind contribution described in clause (ii) shall not be considered an asset or income.

''(c) APPLICATION FOR ALLOTMENT.—

''(1) IN GENERAL.—

''(A) SUBMISSION.—A State that desires to receive an allotment under this section on behalf of a partnership described in paragraph (3) shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

''(B) CONTENT.—An application submitted under subparagraph (A) shall include the following:

''(i) A description of the State's plan for using the allotted funds.

''(ii) Assurances that the State will provide the non-Federal share from State, institutional, philanthropic, or private funds, of not less than the required share of the cost of carrying out the activities under subsection (d), as determined under subsection (b), in accordance with the following:

''(I) The State shall specify the methods by which non-Federal share funds will be paid and include provisions designed to ensure that funds provided under this section will be used to supplement, and not supplant, Federal and non-Federal funds available for carrying out the activities under this title.

''(II) A State that uses non-Federal funds to create or expand existing partnerships with nonprofit organizations or community-based organizations in which such organizations match State funds for student scholarships, may apply such matching funds from such organizations toward fulfilling the State's non-Federal share obligation under this clause.

''(iii) Assurances that early information and intervention, mentoring, or outreach programs exist within the State or that there is a plan to make such programs widely available.

''(iv) A description of the organizational structure that the State has in place to administer the activities under subsection (d), including a description of the system the State will use to track the participation of students who receive grants under this section to degree completion.

''(v) Assurances that the State has a method in place, such as acceptance of the automatic zero expected family contribution determination described in section 479, to identify eligible low-income students and award State grant aid to such students.

''(vi) Assurances that the State will provide notification to eligible low-income students that grants under this section are—

''(I) Leveraging Educational Assistance Partnership Grants; and

''(II) funded by the Federal Government, the State, and other contributing partners.

''(2) STATE AGENCY.—The State agency that submits an application for a State under section 415C(a) shall be the same State agency that submits an application under paragraph (1) for such State.

''(3) PARTNERSHIP.—In applying for an allotment under this section, the State agency shall apply for the allotment in partnership with—

''(A) not less than 1 public and 1 private degree granting institution of higher education that are located in the State, if applicable;

''(B) new or existing early information and intervention, mentoring, or outreach programs located in the State; and

''(C) not less than 1—

''(i) philanthropic organization located in, or that provides funding in, the State; or

''(ii) private corporation located in, or that does business in, the State.

''(4) ROLES OF PARTNERS.—

''(A) STATE AGENCY.—A State agency that is in a partnership receiving an allotment under this section—

''(i) shall—

''(I) serve as the primary administrative unit for the partnership;

''(II) provide or coordinate non-Federal share funds, and coordinate activities among partners;

''(III) encourage each institution of higher education in the State to participate in the partnership;

''(IV) make determinations and early notifications of assistance as described under subsection (d)(2); and

''(V) annually report to the Secretary on the partnership's progress in meeting the purpose of this section; and

''(ii) may provide early information and intervention, mentoring, or outreach programs.

''(B) DEGREE GRANTING INSTITUTIONS OF HIGHER EDUCATION.—A degree granting institution of higher education that is in a partnership receiving an allotment under this section—

''(i) shall—

''(I) recruit and admit participating qualified students and provide such additional institutional grant aid to participating students as agreed to with the State agency;

''(II) provide support services to students who receive grants for access and persistence under this section and are enrolled at such institution; and

''(III) assist the State in the identification of eligible students and the dissemination of early notifications of assistance as agreed to with the State agency; and

''(ii) may provide funding for early information and intervention, mentoring, or outreach programs or provide such services directly.

''(C) PROGRAMS.—An early information and intervention, mentoring, or outreach program that is in a partnership receiving an allotment under this section shall provide direct services, support, and information to participating students.

''(D) PHILANTHROPIC ORGANIZATION OR PRIVATE CORPORATION.—A philanthropic organization or private corporation that is in a partnership receiving an allotment under this section shall provide funds for grants for access and persistence for participating students, or provide funds or support for early information and intervention, mentoring, or outreach programs.

''(d) AUTHORIZED ACTIVITIES.—

''(1) IN GENERAL.—

''(A) ESTABLISHMENT OF PARTNERSHIP.—Each State receiving an allotment under this section shall use the funds to establish a partnership to award grants for access and persistence to eligible low-income students in order to increase the amount of financial assistance such students receive under this subpart for undergraduate education expenses.

''(B) AMOUNT OF GRANTS.—

''(i) PARTNERSHIPS WITH INSTITUTIONS SERVING LESS THAN A MAJORITY OF STUDENTS IN THE STATE.—

''(I) IN GENERAL.—In the case where a State receiving an allotment under this section is in a partnership described in subsection (b)(2)(A)(i), the amount of a grant for access and persistence awarded by such State shall be not less than the amount that is equal to the average undergraduate tuition and mandatory fees at 4-year public institutions of higher education in the State where the student resides (less any other Federal or State sponsored grant amount, work study amount, and scholarship amount received by the student), and such amount shall be used toward the cost of attendance at an institution of higher education located in the State.

''(II) COST OF ATTENDANCE.—A State that has a program, apart from the partnership under this section, of providing eligible low-income students with grants that are equal to the average undergraduate tuition and mandatory fees at 4-year public institutions of higher education in the State, may increase the amount of grants for access and persistence awarded by such State up to an amount that is equal to the average cost of attendance at 4-year public institutions of higher education in the State (less any other Federal or State sponsored grant amount, work study amount, and scholarship amount received by the student).

''(ii) PARTNERSHIPS WITH INSTITUTIONS SERVING THE MAJORITY OF STUDENTS IN THE STATE.—In the case where a State receiving an allotment under this section is in a partnership described in subsection (b)(2)(A)(ii), the amount of a grant for access and persistence awarded by such State shall be not more than an amount that is equal to the average cost of attendance at 4-year public institutions of higher education in the State where the student resides (less any other Federal or State sponsored grant amount, college work study amount, and scholarship amount received by the student), and such amount shall be used by the student to attend an institution of higher education located in the State.

''(C) SPECIAL RULES.—

''(i) PARTNERSHIP INSTITUTIONS.—A State receiving an allotment under this section may restrict the use of grants for access and persistence under this section by awarding the grants only to students attending institutions of higher education that are participating in the partnership.

''(ii) OUT-OF-STATE INSTITUTIONS.—If a State provides grants through another program under this subpart to students attending institutions of higher education located in another State, such agreement may also apply to grants awarded under this section.

''(2) EARLY NOTIFICATION.—

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

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

''(i) shall include—

''(I) information about early information and intervention, mentoring, or outreach programs available to the student;

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

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

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

''(V) an explanation that in order to be eligible for a grant for access and persistence, at a minimum, a student shall—

''(aa) meet the requirement under paragraph (3);

''(bb) graduate from secondary school; and

''(cc) enroll at an institution of higher education that is a partner in the partnership or qualifies under subsection (d)(1)(C)(ii);

''(VI) information on any additional requirements (such as a student pledge detailing student responsibilities) that the State may impose for receipt of a grant for access and persistence under this section; and

''(VII) instructions on how to apply for a grant for access and persistence and an explanation that a student is required to file a Free Application for Federal Student Aid authorized under section 483(a) to be eligible for such grant and assistance from other Federal and State financial aid programs; and

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

''(I) a determination of the student's financial eligibility at the time of the student's enrollment at an institution of higher education that is a partner in the partnership or qualifies under subsection (d)(1)(C)(ii);

''(II) annual Federal and State appropriations; and

''(III) other aid received by the student at the time of the student's enrollment at such institution of higher education.

''(3) ELIGIBILITY.—In determining which students are eligible to receive grants for access and persistence, the State shall ensure that each such student meets not less than 1 of the following:

''(A) Meets not less than 2 of the following criteria, with priority given to students meeting all of the following criteria:

''(i) Has an expected family contribution equal to zero (as described in section 479) or a comparable alternative based upon the State's approved criteria in section 415C(b)(4).

''(ii) Has qualified for a free lunch, or at the State's discretion a reduced price lunch, under the school lunch program established under the Richard B. Russell National School Lunch Act.

''(iii) Qualifies for the State's maximum undergraduate award, as authorized under section 415C(b).

''(iv) Is participating in, or has participated in, a Federal, State, institutional, or community early information and intervention, mentoring, or outreach program, as recognized by the State agency administering activities under this section.

''(B) Is receiving, or has received, a grant for access and persistence under this section, in accordance with paragraph (5).

''(4) GRANT AWARD.—Once a student, including those students who have received early notification under paragraph (2) from the State, applies for admission to an institution that is a partner in the partnership, files a Free Application for Federal Student Aid and any related existing State form, and is determined eligible by the State under paragraph (3), the State shall—

''(A) issue the student a preliminary award certificate for a grant for access and persistence with tentative award amounts; and

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

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

''(e) USE OF FUNDS FOR ADMINISTRATIVE COSTS PROHIBITED.—A State that receives an allotment under this section shall not use any of the allotted funds to pay administrative costs associated with any of the authorized activities described in subsection (d).

''(f) STATUTORY AND REGULATORY RELIEF FOR INSTITUTIONS OF HIGHER EDUCATION.—The Secretary may grant, upon the request of an institution of higher education that is in a partnership described in subsection (b)(2)(A)(ii) and that receives an allotment under this section, a waiver for such institution from statutory or regulatory requirements that inhibit the ability of the institution to successfully and efficiently participate in the activities of the partnership.

''(g) APPLICABILITY RULE.—The provisions of this subpart which are not inconsistent with this section shall apply to the program authorized by this section.

''(h) MAINTENANCE OF EFFORT REQUIREMENT.—Each State receiving an allotment under this section for a fiscal year shall provide the Secretary with an assurance that the aggregate amount expended per student or the aggregate expenditures by the State, from funds derived from non-Federal sources, for the authorized activities described in subsection (d) for the preceding fiscal year were not less than the amount expended per student or the aggregate expenditure by the State for the activities for the second preceding fiscal year.

''(i) SPECIAL RULE.—Notwithstanding subsection (h), for purposes of determining a State's share of the cost of the authorized activities described in subsection (d), the State shall consider only those expenditures from non-Federal sources that exceed the State's total expenditures for need-based grants, scholarships, and work-study assistance for fiscal year 1999 (including any such assistance provided under this subpart).

''(j) CONTINUATION AND TRANSITION.—For the 2-year period that begins on the date of enactment of the Higher Education Amendments of 2007, the Secretary shall continue to award grants under section 415E of the Higher Education Act of 1965 as such section existed on the day before the date of enactment of such Act to States that choose to apply for grants under such predecessor section.

''(k) REPORTS.—Not later than 3 years after the date of enactment of the Higher Education

Amendments of 2007 and annually thereafter, the Secretary shall submit a report describing the activities and the impact of the partnerships under this section to the authorizing committees.''.

SEC. 408. SPECIAL PROGRAMS FOR STUDENTS WHOSE FAMILIES ARE ENGAGED IN MIGRANT AND SEASONAL FARMWORK.

Section 418A (20 U.S.C. 1070d–2) is amended—

(1) in subsection (b)—

(A) in paragraph (1)(B)(i), by striking ''parents'' and inserting ''immediate family'';

(B) in paragraph (3)(B), by inserting ''(including preparation for college entrance examinations)'' after ''college program'';

(C) in paragraph (5), by striking ''weekly'';

(D) in paragraph (7), by striking ''and'' after the semicolon;

(E) in paragraph (8)—

(i) by inserting ''(such as transportation and child care)'' after ''services''; and

(ii) by striking the period at the end and inserting ''; and''; and

(F) by adding at the end the following:

''(9) other activities to improve persistence and retention in postsecondary education.'';

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking ''parents'' and inserting ''immediate family''; and

(ii) in subparagraph (B)—

(I) in the matter preceding clause (i), by inserting ''to improve placement, persistence, and retention in postsecondary education,'' after ''services''; and

(II) in clause (i), by striking ''and career'' and inserting ''career, and economic education or personal finance'';

(iii) in subparagraph (E), by striking ''and'' after the semicolon;

(iv) by redesignating subparagraph (F) as subparagraph (G);

(v) by inserting after subparagraph (E) the following:

''(F) internships; and''; and

(vi) in subparagraph (G) (as redesignated by clause (iv)), by striking ''support services'' and inserting ''essential supportive services (such as transportation and child care)'' ; and

(B) in paragraph (2)—

(i) in subparagraph (A), by striking ''and'' after the semicolon;

(ii) in subparagraph (B), by striking the period at the end and inserting '', and coordinating such services, assistance, and aid with other non-program services, assistance, and aid, including services, assistance, and aid provided by community-based organizations, which may include mentoring and guidance; and''; and

(iii) by adding at the end the following:

''(C) for students attending 2-year institutions of higher education, encouraging the students to transfer to 4-year institutions of higher education, where appropriate, and monitoring the rate of transfer of such students.'';

(3) in subsection (e), by striking ''section 402A(c)(1)'' and inserting ''section 402A(c)(2)'';

(4) in subsection (f)—

(A) in paragraph (1), by striking ''$150,000'' and inserting ''$180,000''; and

(B) in paragraph (2), by striking ''$150,000'' and inserting ''$180,000'';

(5) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively;

(6) by inserting after subsection (f) the following:

''(g) RESERVATION OF FUNDS.—From the amounts made available under subsection (i), the Secretary may reserve not more than a total of ½ of 1 percent for outreach activities, technical assistance, and professional development programs relating to the programs under subsection (a).'';

(7) by striking subsection (h) (as redesignated by paragraph (5)) and inserting the following:

''(h) DATA COLLECTION.—The Commissioner for Education Statistics shall—

''(1) annually collect data on persons receiving services authorized under this subpart regarding such persons' rates of secondary school graduation, entrance into postsecondary education, and completion of postsecondary education;

''(2) not less often than once every 2 years, prepare and submit a report based on the most recently available data under paragraph (1) to the authorizing committees; and

''(3) make such report available to the public.''; and

(8) in subsection (i) (as redesignated by paragraph (5))—

(A) in paragraph (1), by striking ''$15,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.''; and

(B) in paragraph (2), by striking ''$5,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.''.

SEC. 409. ROBERT C. BYRD HONORS SCHOLARSHIP PROGRAM.

(a) ELIGIBILITY OF SCHOLARS.—Section 419F(a) (20 U.S.C. 1070d–36(a)) is amended by inserting ''(or a home school, whether treated as a home school or a private school under State law)'' after ''public or private secondary school''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 419K (20 U.S.C. 1070d–41) is amended by striking ''$45,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.''.

SEC. 410. CHILD CARE ACCESS MEANS PARENTS IN SCHOOL.

(a) MINIMUM GRANT.—Section 419N(b)(2)(B) (20 U.S.C. 1070e(b)(2)(B)) is amended—

(1) by striking ''A grant'' and inserting the following:

''(i) IN GENERAL.—Except as provided in clause (ii), a grant''; and

(2) by adding at the end the following:

''(ii) INCREASE TRIGGER.—For any fiscal year for which the amount appropriated under the authority of subsection (g) is equal to or greater than $20,000,000, a grant under this section shall be awarded in an amount that is not less than $30,000.''.

(b) DEFINITION OF LOW-INCOME STUDENT.—Paragraph (7) of section 419N(b) (20 U.S.C. 1070e(b)) is amended to read as follows:

''(7) DEFINITION OF LOW-INCOME STUDENT.—For the purpose of this section, the term 'low-income student' means a student who—

''(A) is eligible to receive a Federal Pell Grant for the award year for which the determination is made; or

''(B) would otherwise be eligible to receive a Federal Pell Grant for the award year for which the determination is made, except that the student fails to meet the requirements of—

''(i) section 401(c)(1) because the student is enrolled in a graduate or first professional course of study; or

''(ii) section 484(a)(5) because the student is in the United States for a temporary purpose.''.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 419N(g) (20 U.S.C. 1070e(g)) is amended by striking ''$45,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.''.

SEC. 411. LEARNING ANYTIME ANYWHERE PARTNERSHIPS.

Subpart 8 of part A of title IV (20 U.S.C. 1070f et seq.) is repealed.

PART B—FEDERAL FAMILY EDUCATION LOAN PROGRAM

SEC. 421. FEDERAL PAYMENTS TO REDUCE STUDENT INTEREST COSTS.

Section 428 (as amended by this Act) (20 U.S.C. 1078) is further amended—

(1) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (X), by striking ''and'' after the semicolon;

(ii) in subparagraph (Y)—

(I) by striking clause (i) and inserting the following:

''(i) the lender shall determine the eligibility of a borrower for a deferment described in subparagraph (M)(i) based on—

''(I) receipt of a request for deferment from the borrower and documentation of the borrower's eligibility for the deferment;

''(II) receipt of a newly completed loan application that documents the borrower's eligibility for a deferment;

''(III) receipt of student status information received by the lender that the borrower is enrolled on at least a half-time basis; or

''(IV) the lender's confirmation of the borrower's half-time enrollment status through use of the National Student Loan Data System, if the confirmation is requested by the institution of higher education.''; and

(II) in clause (ii), by striking the period at the end and inserting ''; and''; and

(iii) by adding at the end the following:

''(Z) provides that the lender shall, at the time the lender grants a deferment to a borrower who received a loan under section 428H and is eligible for a deferment under section 428(b)(1)(M), provide information to the borrower to enable the borrower to understand the impact of capitalization of interest on the borrower's loan principal and total amount of interest to be paid during the life of the loan.'';

(B) in paragraph (2)(F)—

(i) in clause (i)—

(I) in subclause (III), by striking ''and'' after the semicolon;

(II) in subclause (IV), by striking ''and'' after the semicolon; and

(III) by adding at the end the following:

''(V) the effective date of the transfer;

''(VI) the date the current servicer will stop accepting payments; and

''(VII) the date at which the new servicer will begin accepting payments.''; and

(C) by striking paragraph (3) and inserting the following:

''(3) RESTRICTIONS ON INDUCEMENTS, PAYMENTS, MAILINGS, AND ADVERTISING.—A guaranty agency shall not—

''(A) offer, directly or indirectly, premiums, payments, stock or other securities, prizes, travel, entertainment expenses, tuition repayment, or other inducements to—

''(i) any institution of higher education or the employees of an institution of higher education in order to secure applicants for loans made under this part; or

''(ii) any lender, or any agent, employee, or independent contractor of any lender or guaranty agency, in order to administer or market loans made under this part (other than a loan made under section 428H or a loan made as part of the guaranty agency's lender-of-last-resort program pursuant to section 439(q)) for the purpose of securing the designation of the guaranty agency as the insurer of such loans;

''(B) conduct unsolicited mailings, by postal or electronic means, of educational loan application forms to students enrolled in secondary school or postsecondary educational institutions, or to the parents of such students, except that applications may be mailed, by postal or electronic means, to students or borrowers who have previously received loans guaranteed under this part by the guaranty agency;

''(C) perform, for an institution of higher education participating in a program under this title, any function that the institution is required to perform under part B, D, or G;

''(D) pay, on behalf of the institution of higher education, another person to perform any function that the institution of higher education is required to perform under part B, D, or G; or

''(E) conduct fraudulent or misleading advertising concerning loan availability, terms, or conditions.

It shall not be a violation of this paragraph for a guaranty agency to provide technical assistance to institutions of higher education comparable to the technical assistance provided to institutions of higher education by the Department.''; and

(2) in subsection (c)—

(A) in paragraph (2)(H)(i), by striking ''preclaims'' and inserting ''default aversion''; and

(B) in paragraph (3)(D)—

(i) in clause (i), by striking ''and'' after the comma at the end;

(ii) in clause (ii), by striking the period and inserting a semicolon; and

(iii) by inserting after clause (ii) the following:

''(iii) the lender shall, at the time of granting a borrower forbearance, provide information to the borrower to enable the borrower to understand the impact of capitalization of interest on the borrower's loan principal and total amount of interest to be paid during the life of the loan; and

''(iv) the lender shall contact the borrower not less often than once every 180 days during the period of forbearance to inform the borrower of—

''(I) the amount of unpaid principal and the amount of interest that has accrued since the last statement of such amounts provided to the borrower by the lender;

''(II) the fact that interest will accrue on the loan for the period of forbearance;

''(III) the amount of interest that will be capitalized, and the date on which capitalization will occur;

''(IV) the ability of the borrower to pay the interest that has accrued before the interest is capitalized; and

''(V) the borrower's option to discontinue the forbearance at any time.''.

SEC. 422. FEDERAL CONSOLIDATION LOANS.

(a) AMENDMENTS.—Section 428C(b)(1) (20 U.S.C. 1078–3(b)(1)) is amended—

(1) in subparagraph (E), by striking ''and'' after the semicolon;

(2) by redesignating subparagraph (F) as subparagraph (H); and

(3) by inserting after subparagraph (E) the following:

''(F) that the lender will disclose, in a clear and conspicuous manner, to borrowers who consolidate loans made under part E of this title—

''(i) that once the borrower adds the borrower's Federal Perkins Loan to a Federal Consolidation Loan, the borrower will lose all interest-free periods that would have been available, such as those periods when no interest accrues on the Federal Perkins Loan while the borrower is enrolled in school at least half-time, during the grace period, and during periods when the borrower's student loan repayments are deferred;

''(ii) that the borrower will no longer be eligible for loan cancellation of Federal Perkins Loans under any provision of section 465; and

''(iii) the occupations described in section 465(a)(2), individually and in detail, for which the borrower will lose eligibility for Federal Perkins Loan cancellation; and

''(G) that the lender shall, upon application for a consolidation loan, provide the borrower with information about the possible impact of loan consolidation, including—

''(i) the total interest to be paid and fees to be paid on the consolidation loan, and the length of repayment for the loan;

''(ii) whether consolidation would result in a loss of loan benefits under this part or part D, including loan forgiveness, cancellation, and deferment;

''(iii) in the case of a borrower that plans to include a Federal Perkins Loan under part E in the consolidation loan, that once the borrower adds the borrower's Federal Perkins Loan to a consolidation loan—

''(I) the borrower will lose all interest–free periods that would have been available for such loan under part E, such as the periods during which no interest accrues on the Federal Perkins Loan while the borrower is enrolled in school at least half-time, the grace period, and the periods during which the borrower's student loan repayments are deferred under section 464(c)(2); and

''(II) the borrower will no longer be eligible for cancellation of part or all of a Federal Perkins loan under section 465(a);

''(iv) the ability of the borrower to prepay the consolidation loan, pay such loan on a shorter schedule, and to change repayment plans;

''(v) that borrower benefit programs for a consolidation loan may vary among different lenders;

''(vi) the consequences of default on the consolidation loan; and

''(vii) that by applying for a consolidation loan, the borrower is not obligated to agree to take the consolidation loan; and''.

(b) CONFORMING AMENDMENT.—Section 455(g) (20 U.S.C. 1087e(g)) is amended by striking ''428C(b)(1)(F)'' and inserting ''428C(b)(1)(H)''.

SEC. 423. DEFAULT REDUCTION PROGRAM.

Section 428F (20 U.S.C. 1078–6) is amended by adding at the end the following:

''(c) FINANCIAL AND ECONOMIC LITERACY.—Where appropriate as determined by the institution of higher education in which a borrower is enrolled, each program described in subsection (b) shall include making available financial and economic education materials for the borrower, including making the materials available before, during, or after rehabilitation of a loan.''.

SEC. 424. REPORTS TO CONSUMER REPORTING AGENCIES AND INSTITUTIONS OF HIGHER EDUCATION.

Section 430A (20 U.S.C. 1080a) is amended—

*(1) in the section heading, by striking ''**CREDIT BUREAUS**'' and inserting ''**CONSUMER REPORTING AGENCIES**''; and*

(2) in subsection (a)—

(A) in the first sentence, by striking ''with credit bureau organizations'' and inserting ''with each consumer reporting agency that compiles and maintains files on consumers on a nationwide basis (as defined in section 603(p) of the Fair Credit Reporting Act (15 U.S.C. 1681a(p))'';

(B) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (4), and (5), respectively;

(C) by inserting before paragraph (2) (as redesignated by subparagraph (B)), the following:

''(1) the type of loan made, insured, or guaranteed under this title;'';

(D) by inserting after paragraph (2) (as redesignated by subparagraph (B)), the following:

''(3) information concerning the repayment status of the loan, which information shall be included in the file of the borrower, except that nothing in this subsection shall be construed to affect any otherwise applicable provision of the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.)'';

(E) in paragraph (4) (as redesignated by subparagraph (B)), by striking ''and'' after the semicolon;

(F) in paragraph (5) (as redesignated by subparagraph (B)), by striking the period and inserting ''; and''; and

(G) by adding at the end the following:

''(6) any other information required to be reported by Federal law.''.

SEC. 425. COMMON FORMS AND FORMATS.

Section 432(m)(1)(D)(i) (20 U.S.C. 1082(m)(1)(D)(i)) is amended by adding at the end the following: ''Unless otherwise notified by the Secretary, each institution of higher education that participates in the program under this part or part D may use a master promissory note for loans under this part and part D.''.

SEC. 426. STUDENT LOAN INFORMATION BY ELIGIBLE LENDERS.

Section 433 (20 U.S.C. 1083) is amended by adding at the end the following:

''(f) BORROWER INFORMATION AND PRIVACY.—Each entity participating in a program under this part that is subject to subtitle A of title V of the Gramm-Leach-Bliley Act (15 U.S.C. 6801 et seq.) shall only use, release, disclose, sell, transfer, or give student information, including the name, address, social security number, or amount borrowed by a borrower or a borrower's parent, in accordance with the provisions of such subtitle.

''(g) LOAN BENEFIT DISCLOSURES.—

''(1) IN GENERAL.—Each eligible lender, holder, or servicer of a loan made, insured, or guaranteed under this part shall provide the borrower with information on the loan benefit repayment options the lender, holder, or servicer offer, including information on reductions in interest rates—

''(A) by repaying the loan by automatic payroll or checking account deduction;

''(B) by completing a program of on-time repayment; and

''(C) under any other interest rate reduction program.

''(2) INFORMATION.—Such borrower information shall include—

''(A) any limitations on such options;

''(B) explicit information on the reasons a borrower may lose eligibility for such an option;

''(C) examples of the impact the interest rate reductions will have on a borrower's time for repayment and amount of repayment;

''(D) upon the request of the borrower, the effect the reductions in interest rates will have with respect to the borrower's payoff amount and time for repayment; and

''(E) information on borrower recertification requirements.''.

SEC. 427. CONSUMER EDUCATION INFORMATION.

Part B (20 U.S.C. 1071 et seq.) is amended by inserting after section 433 (20 U.S.C. 1083) the following:

''SEC. 433A. CONSUMER EDUCATION INFORMATION.

''Each guaranty agency participating in a program under this part, working with the institutions of higher education served by such guaranty agency (or in the case of an institution of higher education that provides loans exclusively through part D, the institution working with a guaranty agency or with the Secretary), shall develop and make available a high-quality educational program and materials to provide training for students in budgeting and financial management, including debt management and other aspects of financial literacy, such as the cost of using very high interest loans to pay for postsecondary education, particularly as budgeting and financial management relates to student loan programs authorized by this title. Nothing in this section shall be construed to prohibit a guaranty agency from using an existing program or existing materials to meet the requirement of this section. The activities described in this section shall be considered default reduction activities for the purposes of section 422.''.

SEC. 428. DEFINITION OF ELIGIBLE LENDER.

Section 435(d) (20 U.S.C. 1085(d)) is amended—

(1) in paragraph (5)—

(A) by redesignating subparagraphs (C) and (D) as subparagraphs (H) and (I), respectively; and

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

''(A) offered, directly or indirectly, points, premiums, payments (including payments for referrals and for processing or finder fees), prizes, stock or other securities, travel, entertainment expenses, tuition repayment, the provision of information technology equipment at below-market value, additional financial aid funds, or other inducements to any institution of higher education or any employee of an institution of higher education in order to secure applicants for loans under this part;

''(B) conducted unsolicited mailings, by postal or electronic means, of student loan application forms to students enrolled in secondary school

or postsecondary institutions, or to parents of such students, except that applications may be mailed, by postal or electronic means, to students or borrowers who have previously received loans under this part from such lender;

''(C) entered into any type of consulting arrangement, or other contract to provide services to a lender, with an employee who is employed in the financial aid office of an institution of higher education, or who otherwise has responsibilities with respect to student loans or other financial aid of the institution;

''(D) compensated an employee who is employed in the financial aid office of an institution of higher education, or who otherwise has responsibilities with respect to educational loans or other financial aid of the institution, and who is serving on an advisory board, commission, or group established by a lender or group of lenders for providing such service, except that the eligible lender may reimburse such employee for reasonable expenses incurred in providing such service;

''(E) performed for an institution of higher education any function that the institution of higher education is required to carry out under part B, D, or G;

''(F) paid, on behalf of an institution of higher education, another person to perform any function that the institution of higher education is required to perform under part B, D, or G;

''(G) provided payments or other benefits to a student at an institution of higher education to act as the lender's representative to secure applications under this title from individual prospective borrowers, unless such student—

''(i) is also employed by the lender for other purposes; and

''(ii) made all appropriate disclosures regarding such employment;''; and

(2) by adding at the end the following:

''(8) SUNSET OF AUTHORITY FOR SCHOOL AS LENDER PROGRAM.—

''(A) SUNSET.—The authority provided under subsection (d)(1)(E) for an institution to serve as an eligible lender, and under paragraph (7) for an eligible lender to serve as a trustee for an institution of higher education or an organization affiliated with an institution of higher education, shall expire on June 30, 2012.

''(B) APPLICATION TO EXISTING INSTITUTIONAL LENDERS.—An institution that was an eligible lender under this subsection, or an eligible lender that served as a trustee for an institution of higher education or an organization affiliated with an institution of higher education under paragraph (7), before June 30, 2012, shall—

''(i) not issue any new loans in such a capacity under part B after June 30, 2012; and

''(ii) continue to carry out the institution's responsibilities for any loans issued by the institution under part B on or before June 30, 2012, except that, beginning on June 30, 2011, the eligible institution or trustee may, notwithstanding any other provision of this Act, sell or otherwise dispose of such loans if all profits from the divestiture are used for need-based grant programs at the institution.

''(C) AUDIT REQUIREMENT.—All institutions serving as an eligible lender under subsection (d)(1)(E) and all eligible lenders serving as a trustee for an institution of higher education or an organization affiliated with an institution of higher education shall annually complete and submit to the Secretary a compliance audit to determine whether—

''(i) the institution or lender is using all proceeds from special allowance payments and interest payments from borrowers, interest subsidies received from the Department, and any proceeds from the sale or other disposition of loans, for need-based aid programs, in accordance with section 435(d)(2)(A)(viii);

''(ii) the institution or lender is using no more than a reasonable portion of the proceeds described in section 435(d)(2)(A)(viii) for direct administrative expenses; and

''(iii) the institution or lender is ensuring that the proceeds described in section 435(d)(2)(A)(viii) are being used to supplement, and not to supplant, non-Federal funds that would otherwise be used for need-based grant programs.''.

SEC. 429. DISCHARGE AND CANCELLATION RIGHTS IN CASES OF DISABILITY.

(a) FFEL AND DIRECT LOANS.—Section 437(a) (20 U.S.C. 1087) is amended—

(1) by inserting '', or if a student borrower who has received such a loan is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death, has lasted for a continuous period of not less than 60 months, or can be expected to last for a continuous period of not less than 60 months'' after ''of the Secretary),''; and

(2) by adding at the end the following: ''The Secretary may develop such safeguards as the Secretary determines necessary to prevent fraud and abuse in the discharge of liability under this subsection. Notwithstanding any other provision of this subsection, the Secretary may promulgate regulations to resume collection on loans discharged under this subsection in any case in which—

''(1) a borrower received a discharge of liability under this subsection and after the discharge the borrower—

''(A) receives a loan made, insured or guaranteed under this title; or

''(B) has earned income in excess of the poverty line; or

''(2) the Secretary determines necessary.''.

(b) PERKINS.—Section 464(c) (20 U.S.C. 1087dd(c)) is amended—

(1) in paragraph (1)(F)—

(A) by striking ''or if he'' and inserting ''if the borrower''; and

(B) by inserting '', or if the borrower is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death, has lasted for a continuous period of not less than 60 months, or can be expected to last for a continuous period of not less than 60 months'' after ''the Secretary''; and

(2) by adding at the end the following:

''(8) The Secretary may develop such additional safeguards as the Secretary determines necessary to prevent fraud and abuse in the cancellation of liability under paragraph (1)(F). Notwithstanding paragraph (1)(F), the Secretary may promulgate regulations to resume collection on loans cancelled under paragraph (1)(F) in any case in which—

''(A) a borrower received a cancellation of liability under paragraph (1)(F) and after the cancellation the borrower—

''(i) receives a loan made, insured or guaranteed under this title; or

''(ii) has earned income in excess of the poverty line; or

''(B) the Secretary determines necessary.''.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on July 1, 2008.

PART C—FEDERAL WORK-STUDY PROGRAMS

SEC. 441. AUTHORIZATION OF APPROPRIATIONS.

Section 441(b) (42 U.S.C. 2751(b)) is amended by striking ''$1,000,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.''.

SEC. 442. ALLOWANCE FOR BOOKS AND SUPPLIES.

Section 442(c)(4)(D) (42 U.S.C. 2752(c)(4)(D)) is amended by striking ''$450'' and inserting ''$600''.

SEC. 443. GRANTS FOR FEDERAL WORK-STUDY PROGRAMS.

Section 443(b)(2) (42 U.S.C. 2753(b)(2)) is amended—

(1) by striking subparagraph (A);

(2) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(3) in subparagraph (A) (as redesignated by paragraph (2)), by striking ''this subparagraph if'' and all that follows through ''institution;'' and inserting ''this subparagraph if—

''(i) the Secretary determines that enforcing this subparagraph would cause hardship for students at the institution; or

''(ii) the institution certifies to the Secretary that 15 percent or more of its total full-time enrollment participates in community service activities described in section 441(c) or tutoring and literacy activities described in subsection (d) of this section;''.

SEC. 444. JOB LOCATION AND DEVELOPMENT PROGRAMS.

Section 446(a)(1) (42 U.S.C. 2756(a)(1)) is amended by striking ''$50,000'' and inserting ''$75,000''.

SEC. 445. WORK COLLEGES.

Section 448 (42 U.S.C. 2756b) is amended—

(1) in subsection (a), by striking ''work-learning'' and inserting ''work-learning-service'';

(2) in subsection (b)—

(A) in paragraph (1), by striking ''under subsection (f)'' and inserting ''for this section under section 441(b)''; and

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking ''pursuant to subsection (f)'' and inserting ''for this section under section 441(b)'';

(ii) in subparagraph (A), by striking ''work-learning program'' and inserting ''comprehensive work-learning-service program'';

(iii) by redesignating subparagraphs (C) through (F) as subparagraphs (D) through (G), respectively;

(iv) by inserting after subparagraph (B) the following:

''(C) support existing and new model student volunteer community service projects associated with local institutions of higher education, such as operating drop-in resource centers that are staffed by students and that link people in need with the resources and opportunities necessary to become self-sufficient; and'';

(v) in subparagraph (E) (as redesignated by clause (iii)), by striking ''work-learning'' each place the term occurs and inserting ''work-learning-service''; and

(vi) in subparagraph (F) (as redesignated by clause (iii)), by striking ''work service learning'' and inserting ''work-learning-service'';

(3) in subsection (c), by striking ''by subsection (f) to use funds under subsection (b)(1)'' and inserting ''for this section under section 441(b) or to use funds under subsection (b)(1),'';

(4) in subsection (e)—

(A) in paragraph (1)—

(i) in subparagraph (A), by inserting ''4-year, degree-granting'' after ''nonprofit'';

(ii) in subparagraph (B), by striking ''work-learning'' and inserting ''work-learning-service'';

(iii) by striking subparagraph (C) and inserting the following:

''(C) requires all resident students, including at least ½ of all resident students who are enrolled on a full-time basis, to participate in a comprehensive work-learning-service program for not less than 5 hours each week, or not less than 80 hours during each period of enrollment except summer school, unless the student is engaged in a study abroad or externship program that is organized or approved by the institution; and''; and

(iv) in subparagraph (D), by striking ''work-learning'' and inserting ''work-learning-service''; and

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

''(2) the term 'comprehensive work-learning-service program' means a student work-learning-service program that—

''(A) is an integral and stated part of the institution's educational philosophy and program;

''(B) requires participation of all resident students for enrollment and graduation;

''(C) includes learning objectives, evaluation, and a record of work performance as part of the student's college record;

''(D) provides programmatic leadership by college personnel at levels comparable to traditional academic programs;

''(E) recognizes the educational role of work-learning-service supervisors; and

''(F) includes consequences for nonperformance or failure in the work-learning-service program similar to the consequences for failure in the regular academic program.''; and

(5) by striking subsection (f).

PART D—FEDERAL PERKINS LOANS

SEC. 451. PROGRAM AUTHORITY.

Section 461(b)(1) (20 U.S.C. 1087aa(b)(1)) is amended by striking ''$250,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for each of the fiscal years 2008 through 2012.''.

SEC. 452. CANCELLATION OF LOANS FOR CERTAIN PUBLIC SERVICE.

Section 465(a) (20 U.S.C. 1087ee(a)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (B), by striking ''Head Start Act which'' and inserting ''Head Start Act, or in a prekindergarten or child care program that is licensed or regulated by the State, that'';

(B) in subparagraph (H), by striking ''or'' after the semicolon;

(C) in subparagraph (I), by striking the period and inserting a semicolon; and

(D) by inserting before the matter following subparagraph (I) (as amended by subparagraph (C)) the following:

''(J) as a full-time faculty member at a Tribal College or University, as that term is defined in section 316;

''(K) as a librarian, if the librarian has a master's degree in library science and is employed in—

''(i) an elementary school or secondary school that is eligible for assistance under title I of the Elementary and Secondary Education Act of 1965; or

''(ii) a public library that serves a geographic area that contains 1 or more schools eligible for assistance under title I of the Elementary and Secondary Education Act of 1965; or

''(L) as a full-time speech language therapist, if the therapist has a master's degree and is working exclusively with schools that are eligible for assistance under title I of the Elementary and Secondary Education Act of 1965.''; and

(2) in paragraph (3)(A)—

(A) in clause (i)—

(i) by inserting ''(D),'' after ''(C),''; and

(ii) by striking ''or (I)'' and inserting ''(I), (J), (K), or (L)'';

(B) in clause (ii), by inserting ''or'' after the semicolon;

(C) by striking clause (iii); and

(D) by redesignating clause (iv) as clause (iii).

PART E—NEED ANALYSIS

SEC. 461. COST OF ATTENDANCE.

(a) AMENDMENTS.—Section 472(3) (20 U.S.C. 1087kk(3)) is amended—

(1) in subparagraph (B), by striking ''and'' after the semicolon;

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B), as amended by paragraph (1), the following:

''(C) for students who live in housing located on a military base or for which a basic allowance is provided under section 403(b) of title 37, United States Code, shall be an allowance based on the expenses reasonably incurred by such students for board but not for room; and''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on July 1, 2008.

SEC. 462. DEFINITIONS.

(a) AMENDMENT.—Section 480(b)(6) (20 U.S.C. 1087vv(b)(6)) is amended by inserting '', except that the value of on-base military housing or the value of basic allowance for housing determined under section 403(b) of title 37, United States Code, received by the parents, in the case of a dependent student, or the student or student's spouse, in the case of an independent student, shall be excluded'' before the semicolon.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on July 1, 2008.

PART F—GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE

SEC. 471. DEFINITIONS.

Section 481(a)(2)(B) (20 U.S.C. 1088(a)(2)(B)) is amended by inserting ''and that measures program length in credit hours or clock hours'' after ''baccalaureate degree''.

SEC. 472. COMPLIANCE CALENDAR.

Section 482 (20 U.S.C. 1089) is amended by adding at the end the following:

''(e) COMPLIANCE CALENDAR.—Prior to the beginning of each award year, the Secretary shall provide to institutions of higher education a list of all the reports and disclosures required under this Act. The list shall include—

''(1) the date each report or disclosure is required to be completed and to be submitted, made available, or disseminated;

''(2) the required recipients of each report or disclosure;

''(3) any required method for transmittal or dissemination of each report or disclosure;

''(4) a description of the content of each report or disclosure sufficient to allow the institution to identify the appropriate individuals to be assigned the responsibility for such report or disclosure;

''(5) references to the statutory authority, applicable regulations, and current guidance issued by the Secretary regarding each report or disclosure; and

''(6) any other information which is pertinent to the content or distribution of the report or disclosure.''.

SEC. 473. FORMS AND REGULATIONS.

Section 483 (20 U.S.C. 1090) is amended—

(1) by striking subsections (a) and (b) and inserting the following:

''(a) COMMON FINANCIAL AID FORM DEVELOPMENT AND PROCESSING.—

''(1) IN GENERAL.—

''(A) COMMON FORMS.—The Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance, shall produce, distribute, and process free of charge common financial reporting forms as described in this subsection to be used to determine the need and eligibility of a student for financial assistance under parts A through E of this title (other than under subpart 4 of part A). The forms shall be made available to applicants in both paper and electronic formats.

''(B) FAFSA.—The common financial reporting forms described in this subsection (excluding the form described in paragraph (2)(B)), shall be referred to collectively as the 'Free Application for Federal Student Aid', or 'FAFSA'.

''(2) PAPER FORMAT.—

''(A) IN GENERAL.—The Secretary shall encourage applicants to file the electronic versions of the forms described in paragraph (3), but shall develop, make available, and process—

''(i) a paper version of EZ FAFSA, as described in subparagraph (B); and

''(ii) a paper version of the other forms described in this subsection, in accordance with subparagraph (C), for any applicant who does not meet the requirements of or does not wish to use the process described in subparagraph (B).

''(B) EZ FAFSA.—

''(i) IN GENERAL.—The Secretary shall develop and use, after appropriate field testing, a simplified paper application form for applicants meeting the requirements of section 479(c), which form shall be referred to as the 'EZ FAFSA'.

''(ii) REQUIRED FEDERAL DATA ELEMENTS.—The Secretary shall include on the EZ FAFSA only the data elements required to determine student eligibility and whether the applicant meets the requirements of section 479(c).

''(iii) REQUIRED STATE DATA ELEMENTS.—The Secretary shall include on the EZ FAFSA such data items as may be necessary to award State financial assistance, as provided under paragraph (5), except the Secretary shall not include a State's data if that State does not permit its applicants for State assistance to use the EZ FAFSA.

''(iv) FREE AVAILABILITY AND DATA DISTRIBUTION.—The provisions of paragraphs (6) and (10) shall apply to the EZ FAFSA.

''(C) PHASE-OUT OF FULL PAPER FAFSA.—

''(i) PHASE-OUT OF PRINTING OF FULL PAPER FAFSA.—At such time as the Secretary determines that it is not cost-effective to print the full paper version of FAFSA, the Secretary shall—

''(I) phase out the printing of the full paper version of FAFSA;

''(II) maintain on the Internet easily accessible, downloadable formats of the full paper version of FAFSA; and

''(III) provide a printed copy of the full paper version of FAFSA upon request.

''(ii) USE OF SAVINGS.—The Secretary shall utilize any savings realized by phasing out the printing of the full paper version of FAFSA and moving applicants to the electronic versions of FAFSA, to improve access to the electronic versions for applicants meeting the requirements of section 479(c).

''(3) ELECTRONIC VERSIONS.—

''(A) IN GENERAL.—The Secretary shall produce, make available through a broadly available website, and process electronic versions of the FAFSA and the EZ FAFSA.

''(B) MINIMUM QUESTIONS.—The Secretary shall use all available technology to ensure that a student using an electronic version of the FAFSA under this paragraph answers only the minimum number of questions necessary.

''(C) REDUCED REQUIREMENTS.—The Secretary shall enable applicants who meet the requirements of subsection (b) or (c) of section 479 to provide information on the electronic version of the FAFSA only for the data elements required to determine student eligibility and whether the applicant meets the requirements of subsection (b) or (c) of section 479.

''(D) STATE DATA.—The Secretary shall include on the electronic version of the FAFSA the questions needed to determine whether the applicant is eligible for State financial assistance, as provided under paragraph (5), except that the Secretary shall not—

''(i) require applicants to complete data required by any State other than the applicant's State of residence; and

''(ii) include a State's data if such State does not permit its applicants for State assistance to use the electronic version of the FAFSA described in this paragraph.

''(E) FREE AVAILABILITY AND DATA DISTRIBUTION.—The provisions of paragraphs (6) and (10) shall apply to the electronic version of the FAFSA.

''(F) USE OF FORMS.—Nothing in this subsection shall be construed to prohibit the use of the electronic versions of the forms developed by the Secretary pursuant to this paragraph by an eligible institution, eligible lender, a guaranty agency, a State grant agency, a private computer software provider, a consortium of such entities, or such other entity as the Secretary may designate. Data collected by the electronic versions of such forms shall be used only for the application, award, and administration of aid awarded under this title, State aid, or aid awarded by eligible institutions or such entities as the Secretary may designate. No data collected by such electronic versions of the forms shall be used for making final aid awards under this title until such data have been processed by the Secretary or a contractor or designee of the Secretary, except as may be permitted under this title.

''(G) PRIVACY.—The Secretary shall ensure that data collection under this paragraph complies with section 552a of title 5, United States Code, and that any entity using an electronic version of a form developed by the Secretary under this paragraph shall maintain reasonable and appropriate administrative, technical, and physical safeguards to ensure the integrity and confidentiality of the information, and to protect against security threats, or unauthorized uses or disclosures of the information provided on the electronic version of the form.

''(H) SIGNATURE.—Notwithstanding any other provision of this Act, the Secretary may permit an electronic version of a form developed under this paragraph to be submitted without a signature, if a signature is subsequently submitted by the applicant or if the applicant uses a personal identification number provided by the Secretary under subparagraph (I).

''(I) PERSONAL IDENTIFICATION NUMBERS AUTHORIZED.—The Secretary is authorized to assign to an applicant a personal identification number—

''(i) to enable the applicant to use such number as a signature for purposes of completing an electronic version of a form developed under this paragraph; and

''(ii) for any purpose determined by the Secretary to enable the Secretary to carry out this title.

''(J) PERSONAL IDENTIFICATION NUMBER IMPROVEMENT.—Not later than 180 days after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall implement a real-time data match between the Social Security Administration and the Department to minimize the time required for an applicant to obtain a personal identification number when applying for aid under this title through an electronic version of a form developed under this paragraph.

''(4) STREAMLINED REAPPLICATION PROCESS.—

''(A) IN GENERAL.—The Secretary shall develop streamlined paper and electronic reapplication forms and processes for an applicant who applies for financial assistance under this title in the next succeeding academic year subsequent to an academic year for which such applicant applied for financial assistance under this title.

''(B) UPDATING OF DATA ELEMENTS.—The Secretary shall determine, in cooperation with States, institutions of higher education, agencies, and organizations involved in student financial assistance, the data elements that may be transferred from the previous academic year's application and those data elements that shall be updated.

''(C) REDUCED DATA AUTHORIZED.—Nothing in this title shall be construed as limiting the authority of the Secretary to reduce the number of data elements required of reapplicants.

''(D) ZERO FAMILY CONTRIBUTION.—Applicants determined to have a zero family contribution pursuant to section 479(c) shall not be required to provide any financial data in a reapplication form, except data that are necessary to determine eligibility under such section.

''(5) STATE REQUIREMENTS.—

''(A) IN GENERAL.—Except as provided in paragraphs (2)(B)(iii), (3)(D), and (4)(B), the Secretary shall include on the forms developed under this subsection, such State-specific data items as the Secretary determines are necessary to meet State requirements for need-based State aid. Such items shall be selected in consultation with State agencies in order to assist in the awarding of State financial assistance in accordance with the terms of this subsection. The number of such data items shall not be less than the number included on the common financial reporting form for the 2005–2006 award year unless a State notifies the Secretary that the State no longer requires those data items for the distribution of State need-based aid.

''(B) ANNUAL REVIEW.—The Secretary shall conduct an annual review to determine—

''(i) which data items each State requires to award need-based State aid; and

''(ii) if the State will permit an applicant to file a form described in paragraph (2)(B) or (3)(C).

''(C) USE OF SIMPLIFIED APPLICATION FORMS ENCOURAGED.—The Secretary shall encourage States to take such steps as are necessary to encourage the use of simplified forms under this subsection, including those forms described in paragraphs (2)(B) and (3)(C), for applicants who meet the requirements of subsection (b) or (c) of section 479.

''(D) CONSEQUENCES IF STATE DOES NOT ACCEPT SIMPLIFIED FORMS.—If a State does not permit an applicant to file a form described in paragraph (2)(B) or (3)(C) for purposes of determining eligibility for State need-based financial aid, the Secretary may determine that State-specific questions for such State will not be included on a form described in paragraph (2)(B) or (3)(B). If the Secretary makes such determination, the Secretary shall advise the State of the Secretary's determination.

''(E) LACK OF STATE RESPONSE TO REQUEST FOR INFORMATION.—If a State does not respond to the Secretary's request for information under subparagraph (B), the Secretary shall—

''(i) permit residents of that State to complete simplified forms under paragraphs (2)(B) and (3)(B); and

''(ii) not require any resident of such State to complete any data items previously required by that State under this section.

''(F) RESTRICTION.—The Secretary shall not require applicants to complete any financial or non-financial data items that are not required—

''(i) by the applicant's State; or

''(ii) by the Secretary.

''(6) CHARGES TO STUDENTS AND PARENTS FOR USE OF FORMS PROHIBITED.—The need and eligibility of a student for financial assistance under parts A through E (other than under subpart 4 of part A) may be determined only by using a form developed by the Secretary under this subsection. Such forms shall be produced, distributed, and processed by the Secretary, and no parent or student shall be charged a fee by the Secretary, a contractor, a third-party servicer or private software provider, or any other public or private entity for the collection, processing, or delivery of financial aid through the use of such forms. No data collected on a paper or electronic version of a form developed under this subsection, or other document that was created to replace, or used to complete, such a form, and for which a fee was paid, shall be used.

''(7) RESTRICTIONS ON USE OF PIN.—No person, commercial entity, or other entity shall request, obtain, or utilize an applicant's personal identification number assigned under paragraph (3)(I) for purposes of submitting a form developed under this subsection on an applicant's behalf.

''(8) APPLICATION PROCESSING CYCLE.—The Secretary shall enable students to submit forms developed under this subsection and initiate the processing of such forms under this subsection, as early as practicable prior to January 1 of the student's planned year of enrollment.

''(9) EARLY ESTIMATES OF EXPECTED FAMILY CONTRIBUTIONS.—The Secretary shall permit an applicant to complete a form described in this subsection in the years prior to enrollment in order to obtain from the Secretary a nonbinding estimate of the applicant's expected family contribution, computed in accordance with part F. Such applicant shall be permitted to update information submitted on a form described in this subsection using the process required under paragraph (4).

''(10) DISTRIBUTION OF DATA.—Institutions of higher education, guaranty agencies, and States shall receive, without charge, the data collected by the Secretary using a form developed under this subsection for the purposes of processing loan applications and determining need and eligibility for institutional and State financial aid awards. Entities designated by institutions of higher education, guaranty agencies, or States to receive such data shall be subject to all the requirements of this section, unless such requirements are waived by the Secretary.

''(11) THIRD PARTY SERVICERS AND PRIVATE SOFTWARE PROVIDERS.—To the extent practicable and in a timely manner, the Secretary shall provide, to private organizations and consortia that develop software used by institutions of higher education for the administration of funds under this title, all the necessary specifications that the organizations and consortia must meet for the software the organizations and consortia develop, produce, and distribute (including any diskette, modem, or network communications) which are so used. The specifications shall contain record layouts for required data. The Secretary shall develop in advance of each processing cycle an annual schedule for providing such specifications. The Secretary, to the extent practicable, shall use multiple means of providing such specifications, including conferences and other meetings, outreach, and technical support mechanisms (such as training and printed reference materials). The Secretary shall, from time to time, solicit from such organizations and consortia means of improving the support provided by the Secretary.

''(12) PARENT'S SOCIAL SECURITY NUMBER AND BIRTH DATE.—The Secretary is authorized to include space on the forms developed under this subsection for the social security number and birth date of parents of dependent students seeking financial assistance under this title.'';

(2) by redesignating subsections (c) through (e) (as amended by section 101(b)(11)) as subsections (b) through (d), respectively;

(3) in subsection (c) (as redesignated by paragraph (2)), by striking ''that is authorized'' and all that follows through the period at the end and inserting ''or other appropriate provider of technical assistance and information on postsecondary educational services that is authorized under section 663(a) of the Individuals with Disabilities Education Act. Not later than 2 years after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall test and implement, to the extent practicable, a toll-free telephone based system to permit applicants who meet the requirements of 479(c) to submit an application over such system.'';

(4) by striking subsection (d) (as redesignated by paragraph (2)) and inserting the following:

''(d) ASSISTANCE IN PREPARATION OF FINANCIAL AID APPLICATION.—

''(1) PREPARATION AUTHORIZED.—Notwithstanding any provision of this Act, an applicant may use a preparer for consultative or preparation services for the completion of a form developed under subsection (a) if the preparer satisfies the requirements of this subsection.

''(2) PREPARER IDENTIFICATION REQUIRED.—If an applicant uses a preparer for consultative or preparation services for the completion of a form developed under subsection (a), the preparer shall include the name, signature, address or employer's address, social security number or employer identification number, and organizational affiliation of the preparer on the applicant's form.

''(3) ADDITIONAL REQUIREMENTS.—A preparer that provides consultative or preparation services pursuant to this subsection shall—

''(A) clearly inform each individual upon initial contact, including contact through the Internet or by telephone, that the FAFSA and EZ FAFSA may be completed for free via paper or electronic versions of the forms that are provided by the Secretary;

''(B) include in any advertising clear and conspicuous information that the FAFSA and EZ FAFSA may be completed for free via paper or electronic versions of the forms that are provided by the Secretary;

''(C) if advertising or providing any information on a website, or if providing services through a website, include on the website a link

to the website described in subsection (a)(3) that provides the electronic versions of the forms developed under subsection (a);

''(D) refrain from producing or disseminating any form other than the forms developed by the Secretary under subsection (a); and

''(E) not charge any fee to any individual seeking services who meets the requirements of subsection (b) or (c) of section 479.

''(4) SPECIAL RULE.—Nothing in this Act shall be construed to limit preparers of the financial reporting forms required to be made under this title that meet the requirements of this subsection from collecting source information from a student or parent, including Internal Revenue Service tax forms, in providing consultative and preparation services in completing the forms.''; and

(5) by adding at the end the following:

''(e) EARLY APPLICATION AND AWARD DEMONSTRATION PROGRAM.—

''(1) PURPOSE.—The purpose of the demonstration program implemented under this subsection is to determine the feasibility of implementing a comprehensive early application and notification system for all dependent students and to measure the benefits and costs of such a system.

''(2) PROGRAM AUTHORIZED.—Not later than 2 years after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall implement an early application demonstration program enabling dependent students who wish to participate in the program—

''(A) to complete an application under this subsection during the academic year that is 2 years prior to the year such students plan to enroll in an institution of higher education; and

''(B) based on the application described in subparagraph (A), to obtain, not later than 1 year prior to the year of the students' planned enrollment, information on eligibility for Federal Pell Grants, Federal student loans under this title, and State and institutional financial aid for the student's first year of enrollment in an the institution of higher education.

''(3) EARLY APPLICATION AND AWARD.—For all dependent students selected for participation in the demonstration program who submit a completed FAFSA, or, as appropriate, an EZ FAFSA, 2 years prior to the year such students plan to enroll in an institution of higher education, the Secretary shall, not later than 1 year prior to the year of such planned enrollment—

''(A) provide each student who meets the requirements under section 479(c) with a determination of such student's—

''(i) expected family contribution for the first year of the student's enrollment in an institution of higher education; and

''(ii) Federal Pell Grant award for the first such year, based on the maximum Federal Pell Grant award at the time of application;

''(B) provide each student who does not meet the requirements under section 479(c) with an estimate of such student's—

''(i) expected family contribution for the first year of the student's planned enrollment; and

''(ii) Federal Pell Grant award for the first such year, based on the maximum Federal Pell Grant award at the time of application; and

''(C) remind the students of the need to update the students' information during the calendar year of enrollment using the expedited reapplication process provided for in subsection (a)(4).

''(4) PARTICIPANTS.—The Secretary shall include, as participants in the demonstration program—

''(A) States selected through the application process described in paragraph (5);

''(B) institutions of higher education within the selected States that are interested in participating in the demonstration program, and that can make estimates or commitments of institutional student financial aid, as appropriate, to students the year before the students' planned enrollment date; and

''(C) secondary schools within the selected States that are interested in participating in the demonstration program, and can commit resources to—

''(i) advertising the availability of the program;

''(ii) identifying students who might be interested in participating in the program;

''(iii) encouraging such students to apply; and

''(iv) participating in the evaluation of the program.

''(5) APPLICATIONS.—States that are interested in participating in the demonstration program shall submit an application, to the Secretary at such time, in such form, and containing such information as the Secretary shall require. The application shall include—

''(A) information on the amount of the State's need-based student financial assistance available, and the eligibility criteria for receiving such assistance;

''(B) a commitment to make, not later than the year before the dependent students participating in the demonstration program plan to enroll in an institution of higher education—

''(i) determinations of State financial aid awards to dependent students participating in the program who meet the requirements of section 479(c); and

''(ii) estimates of State financial aid awards to other dependent students participating in the program;

''(C) a plan for recruiting institutions of higher education and secondary schools with different demographic characteristics to participate in the program;

''(D) a plan for selecting institutions of higher education and secondary schools to participate in the program that—

''(i) demonstrate a commitment to encouraging students to submit a FAFSA, or, as appropriate, an EZ FAFSA, 2 years before the students' planned date of enrollment in an institution of higher education;

''(ii) serve different populations of students;

''(iii) in the case of institutions of higher education—

''(I) to the extent possible, are of varying types and control; and

''(II) commit to making, not later than the year prior to the year that dependent students participating in the demonstration program plan to enroll in the institution—

''(aa) institutional awards to participating dependent students who meet the requirements of section 479(c);

''(bb) estimates of institutional awards to other participating dependent students; and

''(cc) expected or tentative awards of grants or other financial aid available under this title (including supplemental grants under subpart 3 of part A), for all participating dependent students, along with information on State awards, as provided to the institution by the State;

''(E) a commitment to participate in the evaluation conducted by the Secretary; and

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

''(6) SPECIAL PROVISIONS.—

''(A) DISCRETION OF STUDENT FINANCIAL AID ADMINISTRATORS.—A financial aid administrator at an institution of higher education participating in a demonstration program under this subsection may use the discretion provided under section 479A as necessary in awarding financial aid to students participating in the demonstration program.

''(B) WAIVERS.—The Secretary is authorized to waive, for an institution participating in the demonstration program, any requirements under the title, or regulations prescribed under this title, that would make the demonstration program unworkable, except that the Secretary shall not waive any provisions with respect to the maximum award amounts for grants and loans under this title.

''(7) OUTREACH.—The Secretary shall make appropriate efforts in order to notify States, institutions of higher education, and secondary schools of the demonstration program.

''(8) EVALUATION.—The Secretary shall conduct a rigorous evaluation of the demonstration program to measure the program's benefits and adverse effects, as the benefits and effects relate to the purpose of the program described in paragraph (1). In conducting the evaluation, the Secretary shall—

''(A) identify whether receiving financial aid awards or estimates, as applicable, 1 year prior to the year in which the student plans to enroll in an institution of higher education, has a positive impact on the higher education aspirations and plans of such student;

''(B) measure the extent to which using a student's income information from the year that is 2 years prior to the student's planned enrollment date had an impact on the ability of States and institutions to make financial aid awards and commitments;

''(C) determine what operational changes would be required to implement the program on a larger scale;

''(D) identify any changes to Federal law that would be necessary to implement the program on a permanent basis; and

''(E) identify the benefits and adverse effects of providing early awards or estimates on program costs, program operations, program integrity, award amounts, distribution, and delivery of aid.

''(9) CONSULTATION.—The Secretary shall consult, as appropriate, with the Advisory Committee on Student Financial Assistance established under section 491 on the design, implementation, and evaluation of the demonstration program.

''(f) USE OF IRS DATA AND REDUCED INCOME AND ASSET INFORMATION TO DETERMINE ELIGIBILITY FOR STUDENT FINANCIAL AID.—

''(1) FORMATION OF STUDY GROUP.—Not later than 180 days after the date of enactment of the Higher Education Amendments of 2007, the Comptroller General of the United States and the Secretary of Education shall convene a study group whose members shall include the Secretary of the Treasury, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and such other individuals as the Comptroller General and Secretary of Education may designate.

''(2) STUDY REQUIRED.—The Comptroller General and the Secretary, in consultation with the study group convened under paragraph (1), shall design and conduct a study to identify and evaluate the means of simplifying the process of applying for Federal financial aid available under this title. The study shall focus on developing alternative approaches for calculating the expected family contribution that use substantially less income and asset data than the methodology currently used, as of the time of the study, for determining the expected family contribution.

''(3) OBJECTIVES OF STUDY.—The objectives of the study required under paragraph (2) are—

''(A) to shorten the FAFSA and make it easier and less time-consuming to complete, thereby increasing higher education access for low-income students;

''(B) to examine the feasibility, and evaluate the costs and benefits, of using income data from the Internal Revenue Service to pre-populate the electronic version of the FAFSA;

''(C) to determine ways in which to provide reliable information on the amount of Federal grant aid and financial assistance a student can expect to receive, assuming constant income, 2 to 3 years before the student's enrollment; and

''(D) to simplify the process for determining eligibility for student financial aid without causing significant redistribution of Federal grants and subsidized loans under this title.

''(4) REQUIRED SUBJECTS OF STUDY.—The study required under paragraph (2) shall consider—

''(A) how the expected family contribution of a student could be calculated using substantially less income and asset information than the approach currently used, as of the time of the study, to calculate the expected family contribution without causing significant redistribution of Federal grants and subsidized loans under this title, State aid, or institutional aid, or change in the composition of the group of recipients of such aid, which alternative approaches for calculating the expected family contribution shall, to the extent practicable—

''(i) rely mainly, in the case of students and parents who file income tax returns, on information available on the 1040, 1040EZ, and 1040A; and

''(ii) include formulas for adjusting income or asset information to produce similar results to the existing approach with less data;

''(B) how the Internal Revenue Service can provide income and other data needed to compute an expected family contribution for taxpayers and dependents of taxpayers to the Secretary of Education, and when in the application cycle the data can be made available;

''(C) whether data provided by the Internal Revenue could be used to—

''(i) prepopulate the electronic version of the FAFSA with student and parent taxpayer data; or

''(ii) generate an expected family contribution without additional action on the part of the student and taxpayer;

''(D) the extent to which the use of income data from 2 years prior to a student's planned enrollment date would change the expected family contribution computed in accordance with part F, and potential adjustments to the need analysis formula that would minimize the change;

''(E) the extent to which States and institutions would accept the data provided by the Internal Revenue Service to prepopulate the electronic version of the FAFSA in determining the distribution of State and institutional student financial aid funds;

''(F) the changes to the electronic version of the FAFSA and verification processes that would be needed or could be made if Internal Revenue Service data were used to prepopulate such electronic version;

''(G) the data elements currently collected, as of the time of the study, on the FAFSA that are needed to determine eligibility for student aid, or to administer Federal student financial aid programs, but are not needed to compute an expected family contribution, such as whether information regarding the student's citizenship or permanent residency status, registration for selective service, or driver's license number could be reduced without adverse effects;

''(H) additional steps that can be taken to simplify the financial aid application process for students who (or, in the case of dependent students, whose parents) are not required to file an income tax return for the prior taxable year;

''(I) information on the State need for and usage of the full array of income, asset, and other information currently collected, as of the time of the study, on the FAFSA, including analyses of—

''(i) what data are currently used by States to determine eligibility for State student financial aid, and whether the data are used for merit or need-based aid;

''(ii) the extent to which the full array of income and asset information currently collected on the FAFSA play an important role in the awarding of need-based State financial aid, and whether the State could use income and asset information that was more limited to support determinations of eligibility for such State aid programs;

''(iii) whether data are required by State law, State regulations, or policy directives;

''(iv) what State official has the authority to advise the Department on what the State requires to calculate need-based State student financial aid;

''(v) the extent to which any State-specific information requirements could be met by completion of a State application linked to the electronic version of the FAFSA; and

''(vi) whether the State can use, as of the time of the study, or could use, a student's expected family contribution based on data from 2 years prior to the student's planned enrollment date and a calculation with reduced data elements and, if not, what additional information would be needed or what changes would be required; and

''(J) information on institutional needs, including the extent to which institutions of higher education are already using supplemental forms to collect additional data from students and their families to determine eligibility for institutional funds.

''(5) USE OF DATA FROM THE INTERNAL REVENUE SERVICE TO PREPOPULATE FAFSA FORMS.—After the study required under this subsection has been completed, the Secretary may use Internal Revenue Service data to prepopulate the electronic version of the FAFSA if the Secretary, in a joint decision with the Secretary of Treasury, determines that such use will not significantly negatively impact students, institutions of higher education, States, or the Federal Government based on each of the following criteria:

''(A) Program costs.

''(B) Redistributive effects on students.

''(C) Accuracy of aid determinations.

''(D) Reduction of burden to the FAFSA filers.

''(E) Whether all States and institutions that currently accept the Federal aid formula accept the use of data from 2 years prior to the date of a student's planned enrollment in an institution of higher education to award Federal, State, and institutional aid, and as a result will not require students to complete any additional forms to receive this aid.

''(6) CONSULTATION.—The Secretary shall consult with the Advisory Committee on Student Financial Assistance established under section 491 as appropriate in carrying out this subsection.

''(7) REPORT.—Not later than 18 months after the date of enactment of the Higher Education Amendments of 2007, the Comptroller General and the Secretary shall prepare and submit a report on the results of the study required under this subsection to the authorizing committees.''.

SEC. 474. STUDENT ELIGIBILITY.

(a) AMENDMENTS.—Section 484 (20 U.S.C. 1091) is amended—

(1) in subsection (d), by adding at the end the following:

''(4) The student shall be determined by the institution of higher education as having the ability to benefit from the education or training offered by the institution of higher education, upon satisfactory completion of 6 credit hours or the equivalent coursework that are applicable toward a degree or certificate offered by the institution of higher education.'';

(2) by striking subsection (l) and inserting the following:

''(l) COURSES OFFERED THROUGH DISTANCE EDUCATION.—

''(1) RELATION TO CORRESPONDENCE COURSES.—

''(A) IN GENERAL.—A student enrolled in a course of instruction at an institution of higher education that is offered principally through distance education and leads to a recognized certificate, or associate, baccalaureate, or graduate degree, conferred by such institution, shall not be considered to be enrolled in correspondence courses.

''(B) EXCEPTION.—An institution of higher education referred to in subparagraph (A) shall not include an institution or school described in section 3(3)(C) of the Carl D. Perkins Career and Technical Education Act of 2006.

''(2) RESTRICTION OR REDUCTIONS OF FINANCIAL AID.—A student's eligibility to receive grants, loans, or work assistance under this title shall be reduced if a financial aid officer determines under the discretionary authority provided in section 479A that distance education results in a substantially reduced cost of attendance to such student.

''(3) SPECIAL RULE.—For award years prior to July 1, 2008, the Secretary shall not take any compliance, disallowance, penalty, or other action against a student or an eligible institution when such action arises out of such institution's prior award of student assistance under this title if the institution demonstrates to the satisfaction of the Secretary that its course of instruction would have been in conformance with the requirements of this subsection.''; and

(3) by adding at the end the following:

''(s) STUDENTS WITH INTELLECTUAL DISABILITIES.—Notwithstanding subsection (a), in order to receive any grant or work assistance under subparts 1 and 3 of part A and part C of this title, a student with an intellectual disability shall—

''(1) be an individual with an intellectual disability whose mental retardation or other significant cognitive impairment substantially impacts the individual's intellectual and cognitive functioning;

''(2)(A) be a student eligible for assistance under the Individuals with Disabilities Education Act who—

''(i) has completed secondary school with a diploma or certificate; or

''(ii) has completed secondary school; or

''(B) be an individual who is no longer eligible for assistance under the Individuals with Disabilities Education Act because the individual has exceeded the maximum age for which the State provides a free appropriate public education;

''(3) be enrolled or accepted for enrollment in a comprehensive transition and postsecondary education program that—

''(A) is designed for students with an intellectual disability who are seeking to continue academic, vocational, and independent living instruction at the institution in order to prepare for gainful employment and independent living;

''(B) includes an advising and curriculum structure;

''(C) requires students to participate on at least a half-time basis, as determined by the institution; or

''(D) includes—

''(i) regular enrollment in courses offered by the institution;

''(ii) auditing or participating in courses offered by the institution for which the student does not receive regular academic credit;

''(iii) enrollment in noncredit, nondegree courses;

''(iv) participation in internships; or

''(v) a combination of 2 or more of the activities described in clauses (i) through (iv);

''(4) be maintaining satisfactory progress in the program as determined by the institution, in accordance with standards established by the institution; and

''(5) meet the requirements of paragraphs (3), (4), (5), and (6) of subsection (a).''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take affect on July 1, 2008.

SEC. 475. STATUTE OF LIMITATIONS AND STATE COURT JUDGMENTS.

Section 484A (20 U.S.C. 1091a) is amended—

(1) in subsection (b)—

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

(B) in paragraph (2), by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(3) in collecting any obligation arising from a loan made under part E of this title, an institution of higher education that has an agreement with the Secretary pursuant to section 463(a) shall not be subject to a defense raised by any borrower based on a claim of infancy.''; and

(2) by adding at the end the following:

''(d) SPECIAL RULE.—This section shall not apply in the case of a student who is deceased or to a deceased student's estate or the estate of such student's family. If a student is deceased, then the student's estate or the estate of the student's family shall not be required to repay any financial assistance under this title, including interest paid on the student's behalf, collection costs, or other charges specified in this title.''.

SEC. 476. INSTITUTIONAL REFUNDS.

(a) AMENDMENT.—Section 484B(c)(2) (20 U.S.C. 1091B(c)(2)) is amended by striking ''may determine the appropriate withdrawal date.'' and inserting ''may determine—

''(A) the appropriate withdrawal date; and

''(B) that the requirements of subsection (b)(2) do not apply to the student.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on July 1, 2008.

SEC. 477. INSTITUTIONAL AND FINANCIAL ASSISTANCE INFORMATION FOR STUDENTS.

Section 485 (20 U.S.C. 1092) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking subparagraph (M) and inserting the following:

''(M) the terms and conditions of the loans that students receive under parts B, D, and E;'';

(ii) in subparagraph (N), by striking ''and'' after the semicolon;

(iii) in subparagraph (O), by striking the period and inserting a semicolon; and

(iv) by adding at the end the following:

''(P) institutional policies and sanctions related to copyright infringement that inform students that unauthorized distribution of copyrighted material on the institution's information technology systems, including engaging in unauthorized peer-to-peer file sharing, may subject the students to civil and criminal penalties;''

''(Q) student body diversity at the institution, including information on the percentage of enrolled, full-time students who are—

''(i) male;

''(ii) female;

''(iii) from a low-income background; and

''(iv) a self-identified member of a major racial or ethnic group;

''(R) the placement in employment of, and types of employment obtained by, graduates of the institution's degree or certificate programs, gathered from such sources as alumni surveys, student satisfaction surveys, the National Survey of Student Engagement, the Community College Survey of Student Engagement, State data systems, or other relevant sources;

''(S) the types of graduate and professional education in which graduates of the institution's 4-year degree programs enrolled, gathered from such sources as alumni surveys, student satisfaction surveys, the National Survey of Student Engagement, State data systems, or other relevant sources; and

''(T) the fire safety report prepared by the institution pursuant to subsection (i).'';

(B) by striking paragraph (4) and inserting the following:

''(4) For purposes of this section, institutions may—

''(A) exclude from the information disclosed in accordance with subparagraph (L) of paragraph (1) the completion or graduation rates of students who leave school to serve in the Armed Forces, on official church missions, or with a recognized foreign aid service of the Federal Government; or

''(B) in cases where the students described in subparagraph (A) represent 20 percent or more of the certificate- or degree-seeking, full-time, undergraduate students at the institution, the institution may recalculate the completion or graduation rates of such students by excluding from the calculation described in paragraph (3) the time period such students were not enrolled due to their service in the Armed Forces, on official church missions, or with a recognized foreign aid service of the Federal Government.''; and

(C) by adding at the end the following:

''(7) The information disclosed under subparagraph (L) of paragraph (1), or reported under subsection (e), shall include information disaggregated by gender, by each major racial and ethnic subgroup, by recipients of a Federal Pell Grant, by recipients of a loan made under this part or part D (other than a loan made under section 428H or a Federal Direct Unsubsidized Stafford Loan) who did not receive a Federal Pell Grant, and by recipients of neither a Federal Pell Grant nor a loan made under this part or part D (other than a loan made under section 428H or a Federal Direct Unsubsidized Stafford Loan), if the number of students in such subgroup or with such status is sufficient to yield statistically reliable information and reporting would not reveal personally identifiable information about an individual student. If such number is not sufficient for such purposes, then the institution shall note that the institution enrolled too few of such students to so disclose or report with confidence and confidentiality.'';

(2) in subsection (b)—

(A) in paragraph (1)(A), by striking the subparagraph designation and all that follows through ''465.'' and inserting the following:

''(A) Each eligible institution shall, through financial aid offices or otherwise, provide counseling to borrowers of loans that are made, insured, or guaranteed under part B (other than loans made pursuant to section 428C or loans made to parents pursuant to section 428B), or made under part D (other than Federal Direct Consolidation Loans or Federal Direct PLUS Loans made to parents) or E, prior to the completion of the course of study for which the borrower enrolled at the institution or at the time of departure from such institution. The counseling required by this subsection shall include—

''(i) information on the repayment plans available, including a discussion of the different features of each plan and sample information showing the difference in interest paid and total payments under each plan;

''(ii) the average anticipated monthly repayments under the standard repayment plan and, at the borrower's request, the other repayment plans for which the borrower is eligible;

''(iii) such debt and management strategies as the institution determines are designed to facilitate the repayment of such indebtedness;

''(iv) an explanation that the borrower has the ability to prepay each such loan, pay the loan on a shorter schedule, and change repayment plans;

''(v) the terms and conditions under which the student may obtain full or partial forgiveness or cancellation of principal or interest under sections 428J, 460, and 465 (to the extent that such sections are applicable to the student's loans);

''(vi) the terms and conditions under which the student may defer repayment of principal or interest or be granted forbearance under subsections (b)(1)(M) and (o) of section 428, 428H(e)(7), subsections (f) and (l) of section 455, and section 464(c)(2), and the potential impact of such deferment or forbearance;

''(vii) the consequences of default on such loans;

''(viii) information on the effects of using a consolidation loan to discharge the borrower's loans under parts B, D, and E, including, at a minimum—

''(I) the effects of consolidation on total interest to be paid, fees to be paid, and length of repayment;

''(II) the effects of consolidation on a borrower's underlying loan benefits, including all grace periods, loan forgiveness, cancellation, and deferment opportunities;

''(III) the ability of the borrower to prepay the loan or change repayment plans; and

''(IV) that borrower benefit programs may vary among different loan holders; and

''(ix) a notice to borrowers about the availability of the National Student Loan Data System and how the system can be used by a borrower to obtain information on the status of the borrower's loans.''; and

(B) by adding at the end the following:

''(3) Each eligible institution shall, during the exit interview required by this subsection, provide to a borrower of a loan made under part B, D, or E a clear and conspicuous notice describing the general effects of using a consolidation loan to discharge the borrower's student loans, including—

''(A) the effects of consolidation on total interest to be paid, fees to be paid, and length of repayment;

''(B) the effects of consolidation on a borrower's underlying loan benefits, including loan forgiveness, cancellation, and deferment;

''(C) the ability for the borrower to prepay the loan, pay on a shorter schedule, and to change repayment plans, and that borrower benefit programs may vary among different loan holders;

''(D) a general description of the types of tax benefits which may be available to borrowers of student loans; and

''(E) the consequences of default.'';

(3) in subsection (d)(2)—

(A) by inserting ''grant assistance, as well as State'' after ''describing State''; and

(B) by inserting ''and other means, including through the Internet'' before the period at the end;

(4) in subsection (e), by striking paragraph (3) and inserting the following:

''(3) For purposes of this subsection, institutions may—

''(A) exclude from the reporting requirements under paragraphs (1) and (2) the completion or graduation rates of students and student athletes who leave school to serve in the Armed Forces, on official church missions, or with a recognized foreign aid service of the Federal Government; or

''(B) in cases where the students described in subparagraph (A) represent 20 percent or more of the certificate- or degree-seeking, full-time, undergraduate students at the institution, the institution may calculate the completion or graduation rates of such students by excluding from the calculations described in paragraph (1) the time period such students were not enrolled due to their service in the Armed Forces, on official church missions, or with a recognized foreign aid service of the Federal Government.'';

(5) in subsection (f)—

(A) in paragraph (1)—

(i) the matter preceding subparagraph (A), by inserting '', other than a foreign institution of higher education,'' after ''under this title''; and

(ii) by adding at the end the following:

''(J) A statement of current campus policies regarding immediate emergency response and evacuation procedures, including the use of electronic and cellular communication (if appropriate), which policies shall include procedures—

''(i) to notify the campus community in a reasonable and timely manner in the event of a significant emergency or dangerous situation, involving an immediate threat to the health or safety of students or staff, occurring on the campus;

''(ii) to publicize emergency response and evacuation procedures on an annual basis in a manner designed to reach students and staff; and

''(iii) to test emergency response and evacuation procedures on an annual basis.'';

(B) by redesignating paragraph (15) as paragraph (17); and

(C) by inserting after paragraph (14) the following:

''(15) COMPLIANCE REPORT.—The Secretary shall annually report to the authorizing committees regarding compliance with this subsection by institutions of higher education, including an up-to-date report on the Secretary's monitoring of such compliance.

''(16) BEST PRACTICES.—The Secretary may seek the advice and counsel of the Attorney General concerning the development, and dissemination to institutions of higher education, of best practices information about campus safety and emergencies.''; and

(6) by adding at the end the following:

''(h) TRANSFER OF CREDIT POLICIES.—

''(1) DISCLOSURE.—Each institution of higher education participating in any program under this title shall publicly disclose in a readable and comprehensible manner the institution's transfer of credit policies which shall include a statement of the institution's current transfer of credit policies that includes, at a minimum—

''(A) a statement of whether the institution denies a transfer of credit solely on the basis of the agency or association that accredited such other institution of higher education; and

''(B) a list of institutions of higher education with which the institution has established an articulation agreement.

''(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to—

''(A) authorize the Secretary or the Accreditation and Institutional Quality and Integrity Advisory Committee to require particular policies, procedures, or practices by institutions of higher education with respect to transfer of credit;

''(B) authorize an officer or employee of the Department to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any institution of higher education, or over any accrediting agency or association;

''(C) limit the application of the General Education Provisions Act; or

''(D) create any legally enforceable right on the part of a student to require an institution of higher education to accept a transfer of credit from another institution.

''(i) DISCLOSURE OF FIRE SAFETY STANDARDS AND MEASURES.—

''(1) ANNUAL FIRE SAFETY REPORTS ON STUDENT HOUSING REQUIRED.—Each eligible institution participating in any program under this title shall, on an annual basis, publish a fire safety report, which shall contain information with respect to the campus fire safety practices and standards of that institution, including—

''(A) statistics concerning the following in each on-campus student housing facility during the most recent calendar years for which data are available—

''(i) the number of fires and the cause of each fire;

''(ii) the number of injuries related to a fire that result in treatment at a medical facility;

''(iii) the number of deaths related to a fire; and

''(iv) the value of property damage caused by a fire;

''(B) a description of each on-campus student housing facility fire safety system, including the fire sprinkler system;

''(C) the number of regular mandatory supervised fire drills;

''(D) policies or rules on portable electrical appliances, smoking, and open flames (such as candles), procedures for evacuation, and policies regarding fire safety education and training programs provided to students, faculty, and staff; and

''(E) plans for future improvements in fire safety, if determined necessary by such institution.

''(2) REPORT TO THE SECRETARY.—Each eligible institution participating in any program under this title shall, on an annual basis submit to the Secretary a copy of the statistics required to be made available under subparagraph (A).

''(3) CURRENT INFORMATION TO CAMPUS COMMUNITY.—Each institution participating in any program under this title shall—

''(A) make, keep, and maintain a log, recording all fires in on-campus student housing facilities, including the nature, date, time, and general location of each fire; and

''(B) make annual reports to the campus community on such fires.

''(4) RESPONSIBILITIES OF THE SECRETARY.—The Secretary shall—

''(A) make such statistics submitted to the Secretary available to the public; and

''(B) in coordination with nationally recognized fire organizations and representatives of institutions of higher education, representatives of associations of institutions of higher education, and other organizations that represent and house a significant number of students—

''(i) identify exemplary fire safety policies, procedures, programs, and practices;

''(ii) disseminate information to the Administrator of the United States Fire Administration;

''(iii) make available to the public information concerning those policies, procedures, programs, and practices that have proven effective in the reduction of fires; and

''(iv) develop a protocol for institutions to review the status of their fire safety systems.

''(5) RULES OF CONSTRUCTION.—Nothing in this subsection shall be construed to—

''(A) authorize the Secretary to require particular policies, procedures, programs, or practices by institutions of higher education with respect to fire safety, other than with respect to the collection, reporting, and dissemination of information required by this subsection;

''(B) affect the Family Educational Rights and Privacy Act of 1974 or the regulations issued under section 264 of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d–2 note);

''(C) create a cause of action against any institution of higher education or any employee of such an institution for any civil liability; and

''(D) establish any standard of care.

''(6) COMPLIANCE REPORT.—The Secretary shall annually report to the authorizing committees regarding compliance with this subsection by institutions of higher education, including an up-to-date report on the Secretary's monitoring of such compliance.

''(7) EVIDENCE.—Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with this subsection shall not be admissible as evidence in any proceeding of any court, agency, board, or other entity, except with respect to an action to enforce this subsection.''.

SEC. 478. ENTRANCE COUNSELING REQUIRED.

Section 485 (as amended by section 477) is further amended—

(1) by redesignating subsections (b) through (i) as subsections (c) through (j), respectively; and

(2) by inserting after subsection (a) the following:

''(b) ENTRANCE COUNSELING FOR BORROWERS.—

''(1) DISCLOSURE REQUIRED PRIOR TO DISBURSEMENT.—

''(A) IN GENERAL.—Each eligible institution shall, at or prior to the time of a disbursement to a first-time student borrower of a loan made, insured, or guaranteed under part B or D, ensure that the borrower receives comprehensive information on the terms and conditions of the loan and the responsibilities the borrower has with respect to such loan. Such information shall be provided in simple and understandable terms and may be provided—

''(i) during an entrance counseling session conducted in person;

''(ii) on a separate written form provided to the borrower that the borrower signs and returns to the institution; or

''(iii) online, with the borrower acknowledging receipt and understanding of the information.

''(B) USE OF INTERACTIVE PROGRAMS.—The Secretary shall encourage institutions to carry out the requirements of subparagraph (A) through the use of interactive programs that test the borrowers' understanding of the terms and conditions of the borrowers' loans under part B or D, using comprehensible language and displays with clear formatting.

''(2) INFORMATION TO BE PROVIDED.—The information provided to the borrower under paragraph (1)(A) shall include—

''(A) an explanation of the use of the Master Promissory Note;

''(B) in the case of a loan made under section 428B or 428H, a Federal Direct PLUS Loan, or a Federal Direct Unsubsidized Stafford Loan—

''(i) the ability of the borrower to pay the interest while the borrower is in school; and

''(ii) how often interest is capitalized;

''(C) the definition of half-time enrollment at the institution, during regular terms and summer school, if applicable, and the consequences of not maintaining half-time enrollment;

''(D) an explanation of the importance of contacting the appropriate institutional offices if the borrower withdraws prior to completing the borrower's program of study so that the institution can provide exit counseling, including information regarding the borrower's repayment options and loan consolidation;

''(E) the obligation of the borrower to repay the full amount of the loan even if the borrower does not complete the program in which the borrower is enrolled;

''(F) information on the National Student Loan Data System and how the borrower can access the borrower's records; and

''(G) the name of an individual the borrower may contact if the borrower has any questions about the borrower's rights and responsibilities or the terms and conditions of the loan.''.

SEC. 479. NATIONAL STUDENT LOAN DATA SYSTEM.

Section 485B (20 U.S.C. 1092b) is amended—

(1) in subsection (a)—

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

(B) in paragraph (5) (as added by Public Law 101–610), by striking ''effectiveness.'' and inserting ''effectiveness;''; and

(C) by redesignating paragraph (5) (as added by Public Law 101–234) as paragraph (6);

(2) by redesignating subsections (d) through (g) as subsections (e) through (h), respectively; and

(3) by inserting after subsection (c) the following:

''(d) PRINCIPLES FOR ADMINISTERING THE DATA SYSTEM.—In managing the National Student Loan Data System, the Secretary shall take actions necessary to maintain confidence in the data system, including, at a minimum—

''(1) ensuring that the primary purpose of access to the data system by guaranty agencies, eligible lenders, and eligible institutions of higher education is for legitimate program operations, such as the need to verify the eligibility of a student, potential student, or parent for loans under part B, D, or E;

''(2) prohibiting nongovernmental researchers and policy analysts from accessing personally identifiable information;

''(3) creating a disclosure form for students and potential students that is distributed when such students complete the common financial reporting form under section 483, and as a part of the exit counseling process under section 485(b), that—

''(A) informs the students that any title IV grant or loan the students receive will be included in the National Student Loan Data System, and instructs the students on how to access that information;

''(B) describes the categories of individuals or entities that may access the data relating to such grant or loan through the data system, and for what purposes access is allowed;

''(C) defines and explains the categories of information included in the data system;

''(D) provides a summary of the provisions of the Family Educational Rights and Privacy Act of 1974 and other applicable Federal privacy statutes, and a statement of the students' rights

and responsibilities with respect to such statutes;

''(E) explains the measures taken by the Department to safeguard the students' data; and

''(F) includes other information as determined appropriate by the Secretary;

''(4) requiring guaranty agencies, eligible lenders, and eligible institutions of higher education that enter into an agreement with a potential student, student, or parent of such student regarding a loan under part B, D, or E, to inform the student or parent that such loan shall be—

''(A) submitted to the data system; and

''(B) accessible to guaranty agencies, eligible lenders, and eligible institutions of higher education determined by the Secretary to be authorized users of the data system;

''(5) regularly reviewing the data system to—

''(A) delete inactive users from the data system;

''(B) ensure that the data in the data system are not being used for marketing purposes; and

''(C) monitor the use of the data system by guaranty agencies and eligible lenders to determine whether an agency or lender is accessing the records of students in which the agency or lender has no existing financial interest; and

''(6) developing standardized protocols for limiting access to the data system that include—

''(A) collecting data on the usage of the data system to monitor whether access has been or is being used contrary to the purposes of the data system;

''(B) defining the steps necessary for determining whether, and how, to deny or restrict access to the data system; and

''(C) determining the steps necessary to reopen access to the data system following a denial or restriction of access.''; and

(4) by striking subsection (e) (as redesignated by paragraph (1)) and inserting the following:

''(e) REPORTS TO CONGRESS.—

''(1) ANNUAL REPORT.—Not later than September 30 of each fiscal year, the Secretary shall prepare and submit to the appropriate committees of Congress a report describing—

''(A) the results obtained by the establishment and operation of the National Student Loan Data System authorized by this section;

''(B) the effectiveness of existing privacy safeguards in protecting student and parent information in the data system;

''(C) the success of any new authorization protocols in more effectively preventing abuse of the data system;

''(D) the ability of the Secretary to monitor how the system is being used, relative to the intended purposes of the data system; and

''(E) any protocols developed under subsection (d)(6) during the preceding fiscal year.

''(2) STUDY.—

''(A) IN GENERAL.—The Secretary shall conduct a study regarding—

''(i) available mechanisms for providing students and parents with the ability to opt in or opt out of allowing eligible lenders to access their records in the National Student Loan Data System; and

''(ii) appropriate protocols for limiting access to the data system, based on the risk assessment required under subchapter III of chapter 35 of title 44, United States Code.

''(B) SUBMISSION OF STUDY.—Not later than 3 years after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall prepare and submit a report on the findings of the study to the appropriate committees of Congress.''.

SEC. 480. EARLY AWARENESS OF FINANCIAL AID ELIGIBILITY.

Part G of title IV (20 U.S.C. 1088 et seq.) is further amended by inserting after section 485D (20 U.S.C. 1092c) the following:

''SEC. 485E. EARLY AWARENESS OF FINANCIAL AID ELIGIBILITY.

''(a) IN GENERAL.—The Secretary shall implement, in cooperation with States, institutions of higher education, secondary schools, middle schools, early intervention and outreach programs under this title, other agencies and organizations involved in student financial assistance and college access, public libraries, community centers, employers, and businesses, a comprehensive system of early financial aid information in order to provide students and families with early information about financial aid and early estimates of such students' eligibility for financial aid from multiple sources. Such system shall include the activities described in subsections (b) and (c).

''(b) COMMUNICATION OF AVAILABILITY OF AID AND AID ELIGIBILITY.—

''(1) STUDENTS WHO RECEIVE BENEFITS.—The Secretary shall—

''(A) make special efforts to notify students, who receive or are eligible to receive benefits under a Federal means-tested benefit program (including the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.)) or another such benefit program as determined by the Secretary, of such students' potential eligibility for a maximum Federal Pell Grant under subpart 1 of part A; and

''(B) disseminate such informational materials as the Secretary determines necessary.

''(2) MIDDLE SCHOOL STUDENTS.—The Secretary, in cooperation with States, institutions of higher education, other organizations involved in college access and student financial aid, middle schools, and programs under this title that serve middle school students, shall make special efforts to notify students and their parents of the availability of financial aid under this title and, in accordance with subsection (c), shall provide nonbinding estimates of grant and loan aid that an individual may be eligible for under this title upon completion of an application form under section 483(a). The Secretary shall ensure that such information is as accurate as possible and that such information is provided in an age-appropriate format using dissemination mechanisms suitable for students in middle school.

''(3) SECONDARY SCHOOL STUDENTS.—The Secretary, in cooperation with States, institutions of higher education, other organizations involved in college access and student financial aid, secondary schools, and programs under this title that serve secondary school students, shall make special efforts to notify students in secondary school and their parents, as early as possible but not later than such students' junior year of secondary school, of the availability of financial aid under this title and, in accordance with subsection (c), shall provide nonbinding estimates of the amounts of grant and loan aid that an individual may be eligible for under this title upon completion of an application form under section 483(a). The Secretary shall ensure that such information is as accurate as possible and that such information is provided in an age-appropriate format using dissemination mechanisms suitable for students in secondary school.

''(4) ADULT LEARNERS.—The Secretary, in cooperation with States, institutions of higher education, other organizations involved in college access and student financial aid, employers, workforce investment boards and public libraries, shall make special efforts to provide individuals who would qualify as independent students, as defined in section 480(d), with information regarding the availability of financial aid under this title and, in accordance with subsection (c), with nonbinding estimates of the amounts of grant and loan aid that an individual may be eligible for under this title upon completion of an application form under section 483(a). The Secretary shall ensure that such information—

''(A) is as accurate as possible;

''(B) includes specific information regarding the availability of financial aid for students qualified as independent students, as defined in section 480(d); and

''(C) uses dissemination mechanisms suitable for adult learners.

''(5) PUBLIC AWARENESS CAMPAIGN.—Not later than 2 years after the date of enactment of the Higher Education Amendments of 2007, the Secretary, in coordination with States, institutions of higher education, early intervention and outreach programs under this title, other agencies and organizations involved in student financial aid, local educational agencies, public libraries, community centers, businesses, employers, employment services, workforce investment boards, and movie theaters, shall implement a public awareness campaign in order to increase national awareness regarding the availability of financial aid under this title. The public awareness campaign shall disseminate accurate information regarding the availability of financial aid under this title and shall be implemented, to the extent practicable, using a variety of media, including print, television, radio and the Internet. The Secretary shall design and implement the public awareness campaign based upon relevant independent research and the information and dissemination strategies found most effective in implementing paragraphs (1) through (4).

''(c) AVAILABILITY OF NONBINDING ESTIMATES OF FEDERAL FINANCIAL AID ELIGIBILITY.—

''(1) IN GENERAL.—The Secretary, in cooperation with States, institutions of higher education, and other agencies and organizations involved in student financial aid, shall provide, via a printed form and the Internet or other electronic means, the capability for individuals to determine easily, by entering relevant data, nonbinding estimates of amounts of grant and loan aid an individual may be eligible for under this title upon completion and processing of an application and enrollment in an institution of higher education.

''(2) DATA ELEMENTS.—The Secretary, in cooperation with States, institutions of higher education, and other agencies and organizations involved in student financial aid, shall determine the data elements that are necessary to create a simplified form that individuals can use to obtain easily nonbinding estimates of the amounts of grant and loan aid an individual may be eligible for under this title.

''(3) QUALIFICATION TO USE SIMPLIFIED APPLICATION.—The capability provided under this paragraph shall include the capability to determine whether the individual is eligible to submit a simplified application form under paragraph (2)(B) or (3)(B) of section 483(a).''.

SEC. 481. PROGRAM PARTICIPATION AGREEMENTS.

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

(1) in subsection (a)—

(A) by redesignating paragraphs (21), (22), and (23) as paragraphs (22), (23), and (24), respectively;

(B) by inserting after paragraph (20) the following:

''(21) CODE OF CONDUCT.—

''(A) IN GENERAL.—The institution will establish, follow, and enforce a code of conduct regarding student loans that includes not less than the following:

''(i) REVENUE SHARING PROHIBITION.—The institution is prohibited from receiving anything of value from any lender in exchange for any advantage sought by the lender to make educational loans to a student enrolled, or who is expected to be enrolled, at the institution, except that an institution shall not be prohibited from receiving a philanthropic contribution from a lender if the contribution is not made in exchange for any such advantage.

''(ii) GIFT AND TRIP PROHIBITION.—Any employee who is employed in the financial aid office of the institution, or who otherwise has responsibilities with respect to educational loans or other financial aid of the institution, is prohibited from taking from any lender any gift or trip worth more than nominal value, except for

reasonable expenses for professional development that will improve the efficiency and effectiveness of programs under this title and for domestic travel to such professional development.

''(iii) CONTRACTING ARRANGEMENTS.—Any employee who is employed in the financial aid office of the institution, or who otherwise has responsibilities with respect to educational loans or other financial aid of the institution, shall be prohibited from entering into any type of consulting arrangement or other contract to provide services to a lender.

''(iv) ADVISORY BOARD COMPENSATION.—Any employee who is employed in the financial aid office of the institution, or who otherwise has responsibilities with respect to educational loans or other student financial aid of the institution, and who serves on an advisory board, commission, or group established by a lender or group of lenders shall be prohibited from receiving anything of value from the lender or group of lenders, except that the employee may be reimbursed for reasonable expenses incurred in serving on such advisory board, commission or group.

''(v) INTERACTION WITH BORROWERS.—The institution will not—

''(I) for any first-time borrower, assign, through award packaging or other methods, the borrower's loan to a particular lender; and

''(II) refuse to certify, or, delay certification of, any loan in accordance with paragraph (6) based on the borrower's selection of a particular lender or guaranty agency.

''(B) DESIGNATION.—The institution will designate an individual who shall be responsible for signing an annual attestation on behalf of the institution that the institution agrees to, and is in compliance with, the requirements of the code of conduct described in this paragraph. Such individual shall be the chief executive officer, chief operating officer, chief financial officer, or comparable official, of the institution, and shall annually submit the signed attestation to the Secretary.

''(C) AVAILABILITY.—The institution will make the code of conduct widely available to the institution's faculty members, students, and parents through a variety of means, including the institution's website.'';

(C) in paragraph (24) (as redesignated by subparagraph (A)), by adding at the end the following:

''(D) In the case of a proprietary institution of higher education as defined in section 102(b), the institution shall be considered in compliance with the requirements of subparagraph (A) for any student to whom the institution electronically transmits a message containing a voter registration form acceptable for use in the State in which the institution is located, or an Internet address where such a form can be downloaded, if such information is in an electronic message devoted solely to voter registration.''; and

(D) by adding at the end the following:

''(25) In the case of a proprietary institution of higher education as defined in section 102(b), the institution will, as calculated in accordance with subsection (h)(1), have not less than 10 percent of its revenues from sources other than funds provided under this title, or will be subject to the sanctions described in subsection (h)(2).

''(26) PREFERRED LENDER LISTS.—

''(A) IN GENERAL.—In the case of an institution (including an employee or agent of an institution) that maintains a preferred lender list, in print or any other medium, through which the institution recommends one or more specific lenders for loans made under part B to the students attending the institution (or the parents of such students), the institution will—

''(i) clearly and fully disclose on the preferred lender list—

''(I) why the institution has included each lender as a preferred lender, especially with respect to terms and conditions favorable to the borrower; and

''(II) that the students attending the institution (or the parents of such students) do not have to borrow from a lender on the preferred lender list;

''(ii) ensure, through the use of the list provided by the Secretary under subparagraph (C), that—

''(I) there are not less than 3 lenders named on the preferred lending list that are not affiliates of each other; and

''(II) the preferred lender list—

''(aa) specifically indicates, for each lender on the list, whether the lender is or is not an affiliate of each other lender on the list; and

''(bb) if the lender is an affiliate of another lender on the list, describes the specifics of such affiliation; and

''(iii) establish a process to ensure that lenders are placed upon the preferred lender list on the basis of the benefits provided to borrowers, including —

''(I) highly competitive interest rates, terms, or conditions for loans made under part B;

''(II) high-quality customer service for such loans; or

''(III) additional benefits beyond the standard terms and conditions for such loans.

''(B) DEFINITION OF AFFILIATE; CONTROL.—

''(i) DEFINITION OF AFFILIATE.—For the purposes of subparagraph (A)(ii) the term 'affiliate' means a person that controls, is controlled by, or is under common control with, another person.

''(ii) CONTROL.—For purposes of subparagraph (A)(ii), a person has control over another person if—

''(I) the person directly or indirectly, or acting through 1 or more others, owns, controls, or has the power to vote 5 percent or more of any class of voting securities of such other person;

''(II) the person controls, in any manner, the election of a majority of the directors or trustees of such other person; or

''(III) the Secretary determines (after notice and opportunity for a hearing) that the person directly or indirectly exercises a controlling interest over the management or policies of such other person.

''(C) LIST OF LENDER AFFILIATES.—The Secretary, in consultation with the Director of the Federal Deposit Insurance Corporation, shall maintain and update a list of lender affiliates of all eligible lenders, and shall provide such list to the eligible institutions for use in carrying out subparagraph (A).'';

(2) in subsection (c)(1)(A)(i), by inserting '', except that the Secretary may modify the requirements of this clause with regard to an institution outside the United States'' before the semicolon at the end;

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

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

''(d) INSTITUTIONAL REQUIREMENTS FOR TEACH-OUTS.—

''(1) IN GENERAL.—In the event the Secretary initiates the limitation, suspension, or termination of the participation of an institution of higher education in any program under this title under the authority of subsection (c)(1)(F) or initiates an emergency action under the authority of subsection (c)(1)(G) and its prescribed regulations, the Secretary shall require that institution to prepare a teach-out plan for submission to the institution's accrediting agency or association in compliance with section 496(c)(4), the Secretary's regulations on teach-out plans, and the standards of the institution's accrediting agency or association.

''(2) TEACH-OUT PLAN DEFINED.—In this subsection, the term 'teach-out plan' means a written plan that provides for the equitable treatment of students if an institution of higher education ceases to operate before all students have completed their program of study, and may include, if required by the institution's accrediting agency or association, an agreement between institutions for such a teach-out plan.

''(e) VIOLATION OF CODE OF CONDUCT REGARDING STUDENT LOANS.—

''(1) IN GENERAL.—Upon a finding by the Secretary, after reasonable notice and an opportunity for a hearing, that an institution of higher education that has entered into a program participation agreement with the Secretary under subsection (a) willfully contravened the institution's attestation of compliance with the provisions of subsection (a)(21), the Secretary may impose a penalty described in paragraph (2).

''(2) PENALTIES.—A violation of paragraph (1) shall result in the limitation, suspension, or termination of the eligibility of the institution for the loan programs under this title.''; and

(5) by adding at the end the following:

''(h) IMPLEMENTATION OF NONTITLE IV REVENUE REQUIREMENT.—

''(1) CALCULATION.—In carrying out subsection (a)(27), a proprietary institution of higher education (as defined in section 102(b)) shall use the cash basis of accounting and count the following funds as from sources of funds other than funds provided under this title:

''(A) Funds used by students from sources other than funds received under this title to pay tuition, fees, and other institutional charges to the institution, provided the institution can reasonably demonstrate that such funds were used for such purposes.

''(B) Funds used by the institution to satisfy matching-fund requirements for programs under this title.

''(C) Funds used by a student from savings plans for educational expenses established by or on behalf of the student and which qualify for special tax treatment under the Internal Revenue Code of 1986.

''(D) Funds paid by a student, or on behalf of a student by a party other than the institution, to the institution for an education or training program that is not eligible for funds under this title, provided that the program is approved or licensed by the appropriate State agency or an accrediting agency recognized by the Secretary.

''(E) Funds generated by the institution from institutional activities that are necessary for the education and training of the institution's students, if such activities are—

''(i) conducted on campus or at a facility under the control of the institution;

''(ii) performed under the supervision of a member of the institution's faculty; and

''(iii) required to be performed by all students in a specific educational program at the institution.

''(F) Institutional aid, as follows:

''(i) In the case of loans made by the institution, only the amount of loan repayments received by the institution during the fiscal year for which the determination is made.

''(ii) In the case of scholarships provided by the institution, only those scholarship funds provided by the institution that are—

''(I) in the form of monetary aid based upon the academic achievements or financial need of students; and

''(II) disbursed during the fiscal year for which the determination is made from an established restricted account and only to the extent that the funds in that account represent designated funds from an outside source or income earned on those funds.

''(iii) In the case of tuition discounts, only those tuition discounts based upon the academic achievement or financial need of students.

''(2) SANCTIONS.—

''(A) FAILURE TO MEET REQUIREMENT FOR 1 YEAR.—In addition to such other means of enforcing the requirements of this title as may be available to the Secretary, if an institution fails to meet the requirements of subsection (a)(27) in any year, the Secretary may impose 1 or both of the following sanctions on the institution:

''(i) Place the institution on provisional certification in accordance with section 498(h) until the institution demonstrates, to the satisfaction of the Secretary, that it is in compliance with subsection (a)(27).

''(ii) Require such other increased monitoring and reporting requirements as the Secretary determines necessary until the institution demonstrates, to the satisfaction of the Secretary, that it is in compliance with subsection (a)(27).

''(B) FAILURE TO MEET REQUIREMENT FOR 2 YEARS.—An institution that fails to meet the requirements of subsection (a)(27) for 2 consecutive years shall be ineligible to participate in the programs authorized under this title until the institution demonstrates, to the satisfaction of the Secretary, that it is in compliance with subsection (a)(27).

''(3) PUBLIC AVAILABILITY OF INFORMATION.—The Secretary shall make publicly available, through the means described in subsection (b) of section 131, any institution that fails to meet the requirements of subsection (a)(27) in any year as an institution that is failing to meet the minimum non-Federal source of revenue requirements of such subsection (a)(27).''.

SEC. 482. REGULATORY RELIEF AND IMPROVEMENT.

Section 487A(b) (20 U.S.C. 1094a(b)) is amended—

(1) in paragraph (1)—

(A) by striking ''1998'' and inserting ''2007'' ; and

(B) by striking ''1999'' and inserting ''2008''; and

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

''(2) REPORT.—The Secretary shall review and evaluate the experience of institutions participating as experimental sites and shall, on a biennial basis, submit a report based on the review and evaluation to the authorizing committees. Such report shall include—''; and

(3) in paragraph (3)—

(A) in subparagraph (A)—

(i) by striking ''Upon the submission of the report required by paragraph (2), the'' and inserting ''The''; and

(ii) by inserting ''periodically'' after ''authorized to'';

(B) by striking subparagraph (B);

(C) by redesignating subparagraph (C) as subparagraph (B); and

(D) in subparagraph (B) (as redesignated by subparagraph (C))—

(i) by inserting '', including requirements related to the award process and disbursement of student financial aid (such as innovative delivery systems for modular or compressed courses, or other innovative systems), verification of student financial aid application data, entrance and exit interviews, or other management procedures or processes as determined in the negotiated rulemaking process under section 492'' after ''requirements in this title'';

(ii) by inserting ''(other than an award rule related to an experiment in modular or compressed schedules)'' after ''award rules''; and

(iii) by inserting ''unless the waiver of such provisions is authorized by another provision under this title'' before the period at the end.

SEC. 483. TRANSFER OF ALLOTMENTS.

Section 488 (20 U.S.C. 1095) is amended in the first sentence—

(1) in paragraph (1), by striking ''and'' after the semicolon;

(2) in paragraph (2), by striking ''413D.'' and inserting ''413D; and''; and

(3) by adding at the end ''(3) transfer 25 percent of the institution's allotment under section 413D to the institution's allotment under section 442.''.

SEC. 484. PURPOSE OF ADMINISTRATIVE PAYMENTS.

Section 489(b) (20 U.S.C. 1096(b)) is amended by striking ''offsetting the administrative costs of'' and inserting ''administering''.

SEC. 485. ADVISORY COMMITTEE ON STUDENT FINANCIAL ASSISTANCE.

Section 491 (20 U.S.C. 1098) is amended—

(1) in subsection (a)(2)—

(A) in subparagraph (B), by striking ''and'' after the semicolon;

(B) in subparagraph (C), by striking the period and inserting a semicolon; and

(C) by adding at the end the following:

''(D) to provide knowledge and understanding of early intervention programs, and to make recommendations that will result in early awareness by low- and moderate-income students and families—

''(i) of their eligibility for assistance under this title; and

''(ii) to the extent practicable, of their eligibility for other forms of State and institutional need-based student assistance; and

''(E) to make recommendations that will expand and improve partnerships among the Federal Government, States, institutions of higher education, and private entities to increase the awareness and the total amount of need-based student assistance available to low- and moderate-income students.'';

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

''(3) The appointment of a member under subparagraph (A) or (B) of paragraph (1) shall be effective upon confirmation of the member by the Senate and publication of such appointment in the Congressional Record.'';

(3) in subsection (d)(6), by striking '', but nothing'' and all that follows through ''or analyses'';

(4) in subsection (j)—

(A) in paragraph (1)—

(i) by inserting ''and simplification'' after ''modernization'' each place the term appears; and

(ii) by striking ''including'' and all that follows through ''Department,''; and

(B) by striking paragraphs (4) and (5) and inserting the following:

''(4) conduct a review and analysis of regulations in accordance with subsection (l); and

''(5) conduct a study in accordance with subsection (m).'';

(5) in subsection (k), by striking ''2004'' and inserting ''2013''; and

(6) by adding at the end the following:

''(l) REVIEW AND ANALYSIS OF REGULATIONS.—

''(1) RECOMMENDATIONS.—The Advisory Committee shall make recommendations to the Secretary and Congress for consideration of future legislative action regarding redundant or outdated regulations under this title, consistent with the Secretary's requirements under section 498B.

''(2) REVIEW AND ANALYSIS OF REGULATIONS.—The Advisory Committee shall conduct a review and analysis of the regulations issued under this title that are in effect at the time of the review and that apply to the operations or activities of participants in the programs assisted under this title. The review and analysis may include a determination of whether the regulation is duplicative, is no longer necessary, is inconsistent with other Federal requirements, or is overly burdensome. In conducting the review, the Advisory Committee shall pay specific attention to evaluating ways in which regulations under this title affecting institutions of higher education (other than institutions described in section 102(a)(1)(C)), that have received in each of the 2 most recent award years prior to the date of enactment of the Higher Education Amendments of 2007 less than $200,000 in funds through this title, may be improved, streamlined, or eliminated.

''(3) CONSULTATION.—

''(A) IN GENERAL.—In carrying out the review and analysis under paragraph (2), the Advisory Committee shall consult with the Secretary, relevant representatives of institutions of higher education, and individuals who have expertise and experience with the regulations issued under this title, in accordance with subparagraph (B).

''(B) REVIEW PANELS.—The Advisory Committee shall convene not less than 2 review panels of representatives of the groups involved in student financial assistance programs under this title who have experience and expertise in the regulations issued under this title to review the regulations under this title, and to provide recommendations to the Advisory Committee with respect to the review and analysis under paragraph (2). The panels shall be made up of experts in areas such as the operations of the financial assistance programs, the institutional eligibility requirements for the financial assistance programs, regulations not directly related to the operations or the institutional eligibility requirements of the financial assistance programs, and regulations for dissemination of information to students about the financial assistance programs.

''(4) REPORTS TO CONGRESS.—The Advisory Committee shall submit, not later than 2 years after the completion of the negotiated rulemaking process required under section 492 resulting from the amendments to this Act made by the Higher Education Amendments of 2007, a report to the authorizing committees and the Secretary detailing the expert panels' findings and recommendations with respect to the review and analysis under paragraph (2).

''(5) ADDITIONAL SUPPORT.—The Secretary and the Inspector General of the Department shall provide such assistance and resources to the Advisory Committee as the Secretary and Inspector General determine are necessary to conduct the review required by this subsection.

''(m) STUDY OF INNOVATIVE PATHWAYS TO BACCALAUREATE DEGREE ATTAINMENT.—

''(1) STUDY REQUIRED.—The Advisory Committee shall conduct a study of the feasibility of increasing baccalaureate degree attainment rates by reducing the costs and financial barriers to attaining a baccalaureate degree through innovative programs.

''(2) SCOPE OF STUDY.—The Advisory Committee shall examine new and existing programs that promote baccalaureate degree attainment through innovative ways, such as dual or concurrent enrollment programs, changes made to the Federal Pell Grant program, simplification of the needs analysis process, compressed or modular scheduling, articulation agreements, and programs that allow 2-year institutions of higher education to offer baccalaureate degrees.

''(3) REQUIRED ASPECTS OF THE STUDY.—In performing the study described in this subsection, the Advisory Committee shall examine the following aspects of such innovative programs:

''(A) The impact of such programs on baccalaureate attainment rates.

''(B) The degree to which a student's total cost of attaining a baccalaureate degree can be reduced by such programs.

''(C) The ways in which low- and moderate-income students can be specifically targeted by such programs.

''(D) The ways in which nontraditional students can be specifically targeted by such programs.

''(E) The cost-effectiveness for the Federal Government, States, and institutions of higher education to implement such programs.

''(4) CONSULTATION.—

''(A) IN GENERAL.—In performing the study described in this subsection the Advisory Committee shall consult with a broad range of interested parties in higher education, including parents, students, appropriate representatives of secondary schools and institutions of higher education, appropriate State administrators, administrators of dual or concurrent enrollment programs, and appropriate Department officials.

''(B) CONGRESSIONAL CONSULTATION.—The Advisory Committee shall consult on a regular basis with the authorizing committees in carrying out the study required by this section.

''(5) REPORTS TO CONGRESS.—

''(A) INTERIM REPORT.—The Advisory Committee shall prepare and submit to the authorizing committees and the Secretary an interim report, not later than 1 year after the date of enactment of the Higher Education Amendments

of 2007, describing the progress that has been made in conducting the study required by this subsection and any preliminary findings on the topics identified under paragraph (2).

''(B) FINAL REPORT.—The Advisory Committee shall, not later than 3 years after the date of enactment of the Higher Education Amendments of 2007, prepare and submit to the authorizing committees and the Secretary a final report on the study, including recommendations for legislative, regulatory, and administrative changes based on findings related to the topics identified under paragraph (2).''.

SEC. 486. REGIONAL MEETINGS.

Section 492(a)(1) (20 U.S.C. 1098a(a)(1)) is amended by inserting ''State student grant agencies,'' after ''institutions of higher education,''.

SEC. 487. YEAR 2000 REQUIREMENTS AT THE DEPARTMENT.

(a) REPEAL.—Section 493A (20 U.S.C. 1098c) is repealed.

(b) REDESIGNATION.—Section 493B (20 U.S.C. 1098d) is redesignated as section 493A.

PART G—PROGRAM INTEGRITY

SEC. 491. RECOGNITION OF ACCREDITING AGENCY OR ASSOCIATION.

Section 496 (20 U.S.C. 1099b) is amended—

(1) in subsection (a)—

(A) by striking paragraph (4) and inserting the following:

''(4)(A) such agency or association consistently applies and enforces standards that respect the stated mission of the institution of higher education, including religious missions, and that ensure that the courses or programs of instruction, training, or study offered by the institution of higher education, including distance education courses or programs, are of sufficient quality to achieve, for the duration of the accreditation period, the stated objective for which the courses or the programs are offered; and

''(B) if such agency or association has or seeks to include within its scope of recognition the evaluation of the quality of institutions or programs offering distance education, such agency or association shall, in addition to meeting the other requirements of this subpart, demonstrate to the Secretary that—

''(i) the agency or association's standards effectively address the quality of an institution's distance education in the areas identified in section 496(a)(5), except that the agency or association shall not be required to have separate standards, procedures or policies for the evaluation of distance education institutions or programs in order to meet the requirements of this subparagraph; and

''(ii) the agency or association requires an institution that offers distance education to have processes through which the institution establishes that the student who registers in a distance education course or program is the same student who participates in and completes the program and receives the academic credit;'';

(B) in paragraph (5), by striking subparagraph (A) and inserting the following:

''(A) success with respect to student achievement in relation to the institution's mission, which may include different standards for different institutions or programs, through the determination of expected levels of student achievement that are established by the institution, and which use, as appropriate, empirical evidence and external indicators with respect to criteria regarding—

''(i) student retention rates;

''(ii) course completion rates;

''(iii) program completion and graduation rates;

''(iv) for prebaccalaureate career and technical education programs, degree programs leading to initial professional licensure or certification, and other programs as appropriate—

''(I) results on State licensing examinations; and

''(II) job placement rates;

''(v) as appropriate, enrollment in graduate or professional programs; and

''(vi) as appropriate, other student performance information selected by the institution, particularly information—

''(I) used by the institution to evaluate or strengthen the institution's programs; and

''(II) that reflects the institution's individual mission and the institution's distinctive goals for students;'';

(C) by striking paragraph (6) and inserting the following:

''(6) such an agency or association shall establish and apply review procedures throughout the accrediting process, including evaluation and withdrawal proceedings which comply with due process procedures that provide for—

''(A) adequate specification of requirements and deficiencies at the institution of higher education or program examined;

''(B) an opportunity for a written response by any such institution to be included, prior to final action, in the evaluation and withdrawal proceedings;

''(C) upon the written request of an institution, an opportunity for the institution to appeal any adverse action, including denial, withdrawal, suspension, or termination of accreditation, or placement on probation of an institution, at a hearing prior to such action becoming final, before an appeals panel that—

''(i) shall not include current members of the agency or association's underlying decision-making body that made the adverse decision; and

''(ii) is subject to a conflict of interest policy; and

''(D) the right to representation by counsel for such an institution during an appeal of the adverse action;''; and

(D) by striking paragraph (8) and inserting the following:

''(8) such agency or association shall make available to the public and the State licensing or authorizing agency, and submit to the Secretary, a summary of agency or association actions, including—

''(A) the award of accreditation or reaccreditation of an institution;

''(B) final denial, withdrawal, suspension, or termination of accreditation, or placement on probation of an institution, and any findings made in connection with the action taken, together with the official comments of the affected institution; and

''(C) any other adverse action taken with respect to an institution.'';

(2) in subsection (c)—

(A) in paragraph (1), by inserting '', including those regarding distance education'' after ''their responsibilities'';

(B) by redesignating paragraphs (2) through (6) as paragraphs (5) through (9);

(C) by inserting after paragraph (1) (as amended by subparagraph (A)) the following:

''(2) ensures that the agency or association's on-site evaluation for accreditation or reaccreditation includes review of the Federally required information the institution or program provides its current and prospective students;

''(3) monitors the growth of programs at institutions that are experiencing significant enrollment growth;

''(4) requires an institution to submit a teach-out plan for approval to the accrediting agency upon the occurrence of any of the following events:

''(A) The Department notifies the accrediting agency of an action against the institution pursuant to section 487(d).

''(B) The accrediting agency acts to withdraw, terminate, or suspend the accreditation of an institution.

''(C) The institution notifies the accrediting agency that the institution intends to cease operations.'';

(D) in paragraph (8) (as redesignated by subparagraph (B)), by striking ''and'' after the semicolon;

(E) in subparagraph (9) (as redesignated by subparagraph (B)), by striking the period and inserting ''; and''; and

(F) by adding at the end the following:

''(10) confirms, as a part of the agency or association's review for accreditation or reaccreditation, that the institution has transfer of credit policies—

''(A) that are publicly disclosed; and

''(B) that include a statement of whether the institution denies a transfer of credit based solely on the accreditation of the sending institution.''; and

(3) in subsection (g), by adding at the end the following: ''Nothing in this section shall be construed to permit the Secretary to establish any criteria that specifies, defines, or prescribes the standards that accrediting agencies or associations shall use to assess any institution's success with respect to student achievement.''.

SEC. 492. ADMINISTRATIVE CAPACITY STANDARD.

Section 498 (20 U.S.C. 1099c) is amended—

(1) in subsection (d)(1)(B), by inserting ''and'' after the semicolon; and

(2) by adding at the end the following:

''(k) TREATMENT OF TEACH-OUTS AT ADDITIONAL LOCATIONS.—

''(1) IN GENERAL.—A location of a closed institution of higher education shall be eligible as an additional location of an eligible institution of higher education, as defined pursuant to regulations of the Secretary, for the purposes of a teach-out, if such teach-out has been approved by the institution's accrediting agency.

''(2) SPECIAL RULE.—An institution of higher education that conducts a teach-out through the establishment of an additional location described in paragraph (1) shall be permitted to establish a permanent additional location at a closed institution and shall not be required—

''(A) to meet the requirements of sections 102(b)(1)(E) and 102(c)(1)(C) for such additional location; or

''(B) to assume the liabilities of the closed institution.''.

SEC. 493. PROGRAM REVIEW AND DATA.

Section 498A(b) (20 U.S.C. 1099c–1(b)) is amended—

(1) in paragraph (4), by striking ''and'' after the semicolon;

(2) in paragraph (5) by striking the period and inserting a semicolon; and

(3) by adding at the end the following:

''(6) provide to an institution of higher education an adequate opportunity to review and respond to any program review report and relevant materials related to the report before any final program review report is issued;

''(7) review and take into consideration an institution of higher education's response in any final program review report or audit determination, and include in the report or determination—

''(A) a written statement addressing the institution of higher education's response;

''(B) a written statement of the basis for such report or determination; and

''(C) a copy of the institution's response; and

''(8) maintain and preserve at all times the confidentiality of any program review report until the requirements of paragraphs (6) and (7) are met, and until a final program review is issued, other than to the extent required to comply with paragraph (5), except that the Secretary shall promptly disclose any and all program review reports to the institution of higher education under review.''.

SEC. 494. TIMELY INFORMATION ABOUT LOANS.

(a) IN GENERAL.—Title IV (20 U.S.C. 1070 et seq.) is further amended by adding at the end the following:

''SEC. 499A. ACCESS TO TIMELY INFORMATION ABOUT LOANS.

''(a) REGULAR BILL PROVIDING PERTINENT INFORMATION ABOUT A LOAN.—A lender of a loan made, insured, or guaranteed under this title shall provide the borrower of such loan a bill

each month or, in the case of a loan payable less frequently than monthly, a bill that corresponds to each payment installment time period, including a clear and conspicuous notice of—

''(1) the borrower's principal borrowed;

''(2) the borrower's current balance;

''(3) the interest rate on such loan;

''(4) the amount the borrower has paid in interest;

''(5) the amount of additional interest payments the borrower is expected to pay over the life of the loan;

''(6) the total amount the borrower has paid for the loan, including the amount the borrower has paid in interest, the amount the borrower has paid in fees, and the amount the borrower has paid against the balance, in a brief, borrower-friendly manner;

''(7) a description of each fee the borrower has been charged for the current payment period;

''(8) the date by which the borrower needs to make a payment in order to avoid additional fees;

''(9) the amount of such payment that will be applied to the interest, the balance, and any fees on the loan; and

''(10) the lender's address and toll-free phone number for payment and billing error purposes.

''(b) INFORMATION PROVIDED BEFORE COMMENCEMENT OF REPAYMENT.—A lender of a loan made, insured, or guaranteed under this title shall provide to the borrower of such loan, at least one month before the loan enters repayment, a clear and conspicuous notice of not less than the following information:

''(1) The borrower's options, including repayment plans, deferments, forbearances, and discharge options to which the borrower may be entitled.

''(2) The conditions under which a borrower may be charged any fee, and the amount of such fee.

''(3) The conditions under which a loan may default, and the consequences of default.

''(4) Resources, including nonprofit organizations, advocates, and counselors (including the Office of the Ombudsman at the Department), where borrowers can receive advice and assistance, if such resources exist.

''(c) INFORMATION PROVIDED DURING DELINQUENCY.—In addition to any other information required under law, a lender of a loan made, insured, or guaranteed under this title shall provide a borrower in delinquency with a clear and conspicuous notice of the date on which the loan will default if no payment is made, the minimum payment that must be made to avoid default, discharge options to which the borrower may be entitled, resources, including nonprofit organizations, advocates, and counselors (including the Office of the Ombudsman at the Department), where borrowers can receive advice and assistance, if such resources exist.

''(d) INFORMATION PROVIDED DURING DEFAULT.—A lender of a loan made, insured, or guaranteed under this title shall provide a borrower in default, on not less than 2 separate occasions, with a clear and conspicuous notice of not less than the following information:

''(1) The options available to the borrower to be removed from default.

''(2) The relevant fees and conditions associated with each option.''.

SEC. 495. AUCTION EVALUATION AND REPORT.

(a) EVALUATION.—If Congress enacts an Act that authorizes the Secretary of Education to carry out a pilot program under which the Secretary establishes a mechanism for an auction of Federal PLUS Loans, then the Comptroller General shall evaluate such pilot program. The evaluation shall determine—

(1) the extent of the savings to the Federal Government that are generated through the pilot program, compared to the cost the Federal Government would have incurred in operating the parent loan program under section 428B of the Higher Education Act of 1965 in the absence of the pilot program;

(2) the number of lenders that participated in the pilot program, and the extent to which the pilot program generated competition among lenders to participate in the auctions under the pilot program;

(3) the effect of the transition to and operation of the pilot program on the ability of—

(A) lenders participating in the pilot program to originate loans made through the pilot program smoothly and efficiently;

(B) institutions of higher education participating in the pilot program to disburse loans made through the pilot program smoothly and efficiently; and

(C) the ability of parents to obtain loans made through the pilot program in a timely and efficient manner;

(4) the differential impact, if any, of the auction among the States, including between rural and non-rural States; and

(5) the feasibility of using the mechanism piloted to operate the other loan programs under part B of title IV of the Higher Education Act of 1965.

(b) REPORTS.—The Comptroller General shall—

(1) not later than September 1, 2010, submit to the authorizing committees (as defined in section 103 of the Higher Education Act of 1965 (20 U.S.C. 1003)) a preliminary report regarding the findings of the evaluation described in subsection (a);

(2) not later than September 1, 2012, submit to the authorizing committees an interim report regarding such findings; and

(3) not later than September 1, 2014, submit to the authorizing committees a final report regarding such findings.

TITLE V—DEVELOPING INSTITUTIONS

SEC. 501. AUTHORIZED ACTIVITIES.

Section 503(b) (20 U.S.C. 1101b(b)) is amended—

(1) by redesignating paragraphs (6) through (14) as paragraphs (8) through (16), respectively;

(2) in paragraph (5), by inserting '', including innovative, customized remedial education and English language instruction courses designed to help retain students and move the students rapidly into core courses and through program completion'' before the period at the end;

(3) by inserting after paragraph (5) the following:

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

''(7) Articulation agreements and student support programs designed to facilitate the transfer from 2-year to 4-year institutions.''; and

(4) in paragraph (12) (as redesignated by paragraph (1)), by striking ''distance learning academic instruction capabilities'' and inserting ''distance education technologies''.

SEC. 502. POSTBACCALAUREATE OPPORTUNITIES FOR HISPANIC AMERICANS.

(a) ESTABLISHMENT OF PROGRAM.—Title V (20 U.S.C. 1101 et seq.) is amended—

(1) by redesignating part B as part C;

(2) by redesignating sections 511 through 518 as sections 521 through 528, respectively; and

(3) by inserting after section 505 the following:

"PART B—PROMOTING POSTBACCALAUREATE OPPORTUNITIES FOR HISPANIC AMERICANS

"SEC. 511. PROGRAM AUTHORITY AND ELIGIBILITY.

''(a) PROGRAM AUTHORIZED.—Subject to the availability of funds appropriated to carry out this part, the Secretary shall award grants, on a competitive basis, to eligible institutions to enable the eligible institutions to carry out the authorized activities described in section 512.

''(b) ELIGIBILITY.—For the purposes of this part, an 'eligible institution' means an institution of higher education that—

''(1) is a Hispanic-serving institution (as defined in section 502); and

''(2) offers a postbaccalaureate certificate or degree granting program.

"SEC. 512. AUTHORIZED ACTIVITIES.

''Grants awarded under this part shall be used for 1 or more of the following activities:

''(1) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.

''(2) Construction, maintenance, renovation, and improvement in classroom, library, laboratory, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services.

''(3) Purchase of library books, periodicals, technical and other scientific journals, microfilm, microfiche, and other educational materials, including telecommunications program materials.

''(4) Support for needy postbaccalaureate students, including outreach, academic support services, mentoring, scholarships, fellowships, and other financial assistance, to permit the enrollment of such students in postbaccalaureate certificate and degree granting programs.

''(5) Support of faculty exchanges, faculty development, faculty research, curriculum development, and academic instruction.

''(6) Creating or improving facilities for Internet or other distance education technologies, including purchase or rental of telecommunications technology equipment or services.

''(7) Collaboration with other institutions of higher education to expand postbaccalaureate certificate and degree offerings.

''(8) Other activities proposed in the application submitted pursuant to section 513 that are approved by the Secretary as part of the review and acceptance of such application.

"SEC. 513. APPLICATION AND DURATION.

''(a) APPLICATION.—Any eligible institution may apply for a grant under this part by submitting an application to the Secretary at such time and in such manner as the Secretary may require. Such application shall demonstrate how the grant funds will be used to improve postbaccalaureate education opportunities for Hispanic and low-income students and will lead to such students' greater financial independence.

''(b) DURATION.—Grants under this part shall be awarded for a period not to exceed 5 years.

''(c) LIMITATION.—The Secretary may not award more than 1 grant under this part in any fiscal year to any Hispanic-serving institution.''.

SEC. 503. APPLICATIONS.

Section 521(b)(1)(A) (as redesignated by section 502(a)(2)) (20 U.S.C. 1103(b)(1)(A)) is amended by striking ''subsection (b)'' and inserting ''subsection (c)''.

SEC. 504. COOPERATIVE ARRANGEMENTS.

Section 524(a) (as redesignated by section 502(a)(2)) (20 U.S.C. 1103c(a)) is amended by striking ''section 503'' and inserting ''sections 503 and 512''.

SEC. 505. AUTHORIZATION OF APPROPRIATIONS.

Section 528(a) (as redesignated by section 502(a)(2)) (20 U.S.C. 1103g(a)) is amended—

(1) by inserting ''part A of'' after ''carry out'';

(2) by striking ''$62,500,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.'';

(3) by striking ''(a) AUTHORIZATIONS.—'' and inserting the following:

''(a) AUTHORIZATIONS.—

''(1) PART A.—There are''; and

(4) by adding at the end the following:

''(2) PART B.—There are authorized to be appropriated to carry out part B of this title such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.''.

TITLE VI—INTERNATIONAL EDUCATION PROGRAMS

SEC. 601. FINDINGS.

Section 601 (20 U.S.C. 1121) is amended—

(1) in the section heading, by striking ''**AND PURPOSES**'' and inserting ''; **PURPOSES; CONSULTATION; SURVEY**'';

(2) in subsection (a)(3), by striking ''post-Cold War'';

(3) in subsection (b)(1)(D), by inserting '', including through linkages with overseas institutions'' before the semicolon; and

(4) by adding at the end the following:

''(c) CONSULTATION.—The Secretary shall, prior to requesting applications for funding under this title during each grant cycle, consult with and receive recommendations regarding national need for expertise in foreign languages and world regions from the head officials of a wide range of Federal agencies. Such agencies shall provide information to the Secretary regarding how the agencies utilize expertise and resources provided by grantees under this title. The Secretary shall take into account such recommendations and information when requesting applications for funding under this title, and shall make available to applicants a list of areas identified as areas of national need.

''(d) SURVEY.—The Secretary shall assist grantees in developing a survey to administer to students who have participated in programs under this title to determine postgraduation placement. All grantees, where applicable, shall administer such survey not less often than annually and report such data to the Secretary.''.

SEC. 602. GRADUATE AND UNDERGRADUATE LANGUAGE AND AREA CENTERS AND PROGRAMS.

Section 602 (20 U.S.C. 1122) is amended—

(1) in subsection (a)—

(A) in paragraph (2)—

(i) in subparagraph (G), by striking ''and'' after the semicolon;

(ii) in subparagraph (H), by striking the period and inserting ''; and''; and

(iii) by adding at the end the following:

''(I) support for instructors of the less commonly taught languages.''; and

(B) in paragraph (4)—

(i) by redesignating subparagraphs (C) through (E) as subparagraphs (D) through (F), respectively;

(ii) by inserting after subparagraph (B) the following:

''(C) Programs of linkage or outreach between or among—

''(i) foreign language, area studies, or other international fields; and

''(ii) State educational agencies or local educational agencies.'';

(iii) in subparagraph (D) (as redesignated by clause (i)) by inserting '', including Federal or State scholarship programs for students in related areas'' before the period at the end; and

(iv) in subparagraph (F) (as redesignated by clause (i)), by striking ''and (D)'' and inserting ''(D), and (E)'';

(2) in subsection (b)—

(A) in the subsection heading, by striking ''GRADUATE''; and

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

''(2) ELIGIBLE STUDENTS.—A student receiving a stipend described in paragraph (1) shall be engaged—

''(A) in an instructional program with stated performance goals for functional foreign language use or in a program developing such performance goals, in combination with area studies, international studies, or the international aspects of a professional studies program; and

''(B)(i) in the case of an undergraduate student, in the intermediate or advanced study of a less commonly taught language; or

''(ii) in the case of a graduate student, in graduate study in connection with a program described in subparagraph (A), including—

''(I) predissertation level study;

''(II) preparation for dissertation research;

''(III) dissertation research abroad; or

''(IV) dissertation writing.'';

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

''(d) ALLOWANCES.—

''(1) GRADUATE LEVEL RECIPIENTS.—A stipend awarded to a graduate level recipient may include allowances for dependents and for travel for research and study in the United States and abroad.

''(2) UNDERGRADUATE LEVEL RECIPIENTS.—A stipend awarded to an undergraduate level recipient may include an allowance for educational programs in the United States or educational programs abroad that—

''(A) are closely linked to the overall goals of the recipient's course of study; and

''(B) have the purpose of promoting foreign language fluency and knowledge of foreign cultures.''; and

(4) by adding at the end the following:

''(e) APPLICATION.—Each institution or combination of institutions desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information and assurances as the Secretary may require. Each application shall include an explanation of how the activities funded by the grant will reflect diverse perspectives and a wide range of views and generate debate on world regions and international affairs. Each application shall also describe how the applicant will address disputes regarding whether activities funded under the application reflect diverse perspectives and a wide range of views. Each application shall also include a description of how the applicant will encourage government service in areas of national need, as identified by the Secretary, as well as in needs in the education, business, and nonprofit sectors.''.

SEC. 603. UNDERGRADUATE INTERNATIONAL STUDIES AND FOREIGN LANGUAGE PROGRAMS.

Section 604 (20 U.S.C. 1124) is amended—

(1) in subsection (a)—

(A) in paragraph (2)—

(i) by redesignating subparagraphs (I) through (M) as subparagraphs (J) through (N), respectively; and

(ii) by inserting after subparagraph (H) the following:

''(I) providing subgrants to undergraduate students for educational programs abroad that—

''(i) are closely linked to the overall goals of the program for which the grant is awarded; and

''(ii) have the purpose of promoting foreign language fluency and knowledge of foreign cultures;''; and

(B) in paragraph (7)—

(i) in subparagraph (C), by striking ''and'' after the semicolon;

(ii) in subparagraph (D), by striking the period at the end and inserting a semicolon; and

(iii) by adding at the end the following:

''(E) a description of how the applicant will provide information to students regarding federally funded scholarship programs in related areas;

''(F) an explanation of how the activities funded by the grant will reflect diverse perspectives and a wide range of views and generate debate on world regions and international affairs, where applicable;

''(G) a description of how the applicant will address disputes regarding whether the activities funded under the application reflect diverse perspectives and a wide range of views; and

''(H) a description of how the applicant will encourage service in areas of national need as identified by the Secretary.''; and

(2) in subsection (c)—

(A) by striking ''FUNDING SUPPORT.—The Secretary'' and inserting ''FUNDING SUPPORT.—

''(1) THE SECRETARY.—The Secretary'';

(B) by striking ''10'' and inserting ''20''; and

(C) by adding at the end the following:

''(2) GRANTEES.—Of the total amount of grant funds awarded to a grantee under this section, the grantee may use not more than 10 percent of such funds for the activity described in subsection (a)(2)(I).''.

SEC. 604. RESEARCH; STUDIES.

Section 605(a) (20 U.S.C. 1125(a)) is amended—

(1) in paragraph (8), by striking ''and'' after the semicolon;

(2) in paragraph (9), by striking the period and inserting a semicolon; and

(3) by adding at the end the following:

''(10) evaluation of the extent to which programs assisted under this title reflect diverse perspectives and a wide range of views and generate debate on world regions and international affairs;

''(11) the systematic collection, analysis, and dissemination of data that contribute to achieving the purposes of this part; and

''(12) support for programs or activities to make data collected, analyzed, or disseminated under this section publicly available and easy to understand.''.

SEC. 605. TECHNOLOGICAL INNOVATION AND COOPERATION FOR FOREIGN INFORMATION ACCESS.

Section 606 (20 U.S.C. 1126) is amended—

(1) in subsection (a)—

(A) by striking ''new electronic technologies'' and inserting ''electronic technologies'';

(B) by inserting ''from foreign sources'' after ''disseminate information'';

(C) in the subsection heading, by striking ''AUTHORITY.—The Secretary'' and inserting ''AUTHORITY.—

''(1) IN GENERAL.—The Secretary''; and

(D) by adding at the end the following:

''(2) PARTNERSHIPS WITH NOT-FOR-PROFIT EDUCATIONAL ORGANIZATIONS.—The Secretary may award grants under this section to carry out the activities authorized under this section to the following:

''(A) An institution of higher education.

''(B) A public or nonprofit private library.

''(C) A consortium of an institution of higher education and 1 or more of the following:

''(i) Another institution of higher education.

''(ii) A library.

''(iii) A not-for-profit educational organization.'';

(2) in subsection (b)—

(A) in paragraph (1), by striking ''to facilitate access to'' and inserting ''to acquire, facilitate access to,'';

(B) in paragraph (2), by inserting ''or standards for'' after ''means of'';

(C) in paragraph (6), by striking ''and'' after the semicolon;

(D) in paragraph (7), by striking the period and inserting a semicolon; and

(E) by adding at the end the following:

''(8) to establish linkages to facilitate carrying out the activities described in this subsection between—

''(A) the institutions of higher education, libraries, and consortia receiving grants under this section; and

''(B) institutions of higher education, not-for-profit educational organizations, and libraries overseas; and

''(9) to carry out other activities that the Secretary determines are consistent with the purpose of the grants or contracts awarded under this section.''; and

(3) in subsection (c), by striking ''institution or consortium'' and inserting ''institution of higher education, library, or consortium''.

SEC. 606. SELECTION OF CERTAIN GRANT RECIPIENTS.

Section 607 (20 U.S.C. 1127) is amended—

(1) in subsection (a), by striking ''evaluates the applications for comprehensive and undergraduate language and area centers and programs.'' and inserting ''evaluates—

''(1) the applications for comprehensive foreign language and area or international studies centers and programs; and

''(2) the applications for undergraduate foreign language and area or international studies centers and programs.''; and

(2) in subsection (b), by adding at the end the following: ''The Secretary shall also consider an applicant's record of placing students into service in areas of national need and an applicant's stated efforts to increase the number of such students that go into such service.''.

SEC. 607. AMERICAN OVERSEAS RESEARCH CENTERS.

Section 609 (20 U.S.C. 1128a) is amended by adding at the end the following:

''(e) APPLICATION.—Each center desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information and assurances as the Secretary may require.''.

SEC. 608. AUTHORIZATION OF APPROPRIATIONS FOR INTERNATIONAL AND FOREIGN LANGUAGE STUDIES.

Section 610 (20 U.S.C. 1128b) is amended by striking ''$80,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.''.

SEC. 609. CENTERS FOR INTERNATIONAL BUSINESS EDUCATION.

Section 612(f)(3) (20 U.S.C. 1130–1(f)(3)) is amended by inserting '', and that diverse perspectives will be made available to students in programs under this section'' before the semicolon.

SEC. 610. EDUCATION AND TRAINING PROGRAMS.

Section 613(c) (20 U.S.C. 1130a(c)) is amended by adding at the end the following: ''Each such application shall include an assurance that, where applicable, the activities funded by the grant will reflect diverse perspectives and a wide range of views on world regions and international affairs.''.

SEC. 611. AUTHORIZATION OF APPROPRIATIONS FOR BUSINESS AND INTERNATIONAL EDUCATION PROGRAMS.

Section 614 (20 U.S.C. 1130b) is amended—

(1) in subsection (a), by striking ''$11,000,000 for fiscal year 1999'' and all that follows through ''fiscal years'' and inserting ''such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years''; and

(2) in subsection (b), by striking ''$7,000,000 for fiscal year 1999'' and all that follows through ''fiscal years,'' and inserting ''such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years''.

SEC. 612. MINORITY FOREIGN SERVICE PROFESSIONAL DEVELOPMENT PROGRAM.

Section 621 (20 U.S.C. 1131) is amended—

(1) in subsection (c), by adding at the end the following: ''Each application shall include a description of how the activities funded by the grant will reflect diverse perspectives and a wide range of views on world regions and international affairs, where applicable.''; and

(2) in subsection (e)—

(A) by striking ''MATCH REQUIRED.—The eligible'' and inserting ''MATCHING FUNDS.—

''(1) IN GENERAL.—Subject to paragraph (2), the eligible''; and

(B) by adding at the end the following:

''(2) WAIVER.—The Secretary may waive the requirement of paragraph (1) for an eligible recipient if the Secretary determines such waiver is appropriate.''.

SEC. 613. INSTITUTIONAL DEVELOPMENT.

Section 622 (20 U.S.C. 1131–1) is amended—

(1) in subsection (a)—

(A) by striking ''Tribally Controlled Colleges or Universities'' and inserting ''tribally controlled colleges or universities''; and

(B) by striking ''international affairs programs.'' and inserting ''international affairs, international business, and foreign language study programs, including the teaching of foreign languages, at such colleges, universities, and institutions, respectively, which may include collaboration with institutions of higher education that receive funding under this title.''; and

(2) in subsection (c)—

(A) by striking paragraphs (1) and (3);

(B) by redesignating paragraphs (2) and (4) as paragraphs (1) and (2), respectively; and

(C) in paragraph (1) (as redesignated by subparagraph (B)), by inserting ''and'' after the semicolon.

SEC. 614. STUDY ABROAD PROGRAM.

Section 623(a) (20 U.S.C. 1131a(a)) is amended—

(1) by striking ''as defined in section 322 of this Act''; and

(2) by striking ''tribally controlled Indian community colleges as defined in the Tribally Controlled Community College Assistance Act of 1978'' and inserting ''tribally controlled colleges or universities''.

SEC. 615. ADVANCED DEGREE IN INTERNATIONAL RELATIONS.

Section 624 (20 U.S.C. 1131b) is amended—

(1) in the section heading, by striking ''**MASTERS**'' and inserting ''**ADVANCED**'';

(2) in the first sentence, by inserting '', and in exceptional circumstances, a doctoral degree,'' after ''masters degree'';

(3) in the second sentence, by striking ''masters degree'' and inserting ''advanced degree''; and

(4) in the fourth sentence, by striking ''United States'' and inserting ''United States.''.

SEC. 616. INTERNSHIPS.

Section 625 (20 U.S.C. 1131c) is amended—

(1) in subsection (a)—

(A) by striking ''as defined in section 322 of this Act'';

(B) by striking ''tribally controlled Indian community colleges as defined in the Tribally Controlled Community College Assistance Act of 1978'' and inserting ''tribally controlled colleges or universities'';

(C) by striking ''an international'' and inserting ''international,''; and

(D) by striking ''the United States Information Agency'' and inserting ''the Department of State''; and

(2) in subsection (c)(1)—

(A) in subparagraph (E), by inserting ''and'' after the semicolon;

(B) in subparagraph (F), by striking ''; and'' and inserting a period; and

(C) by striking subparagraph (G).

SEC. 617. FINANCIAL ASSISTANCE.

Part C of title VI (20 U.S.C. 1131 et seq.) is further amended—

(1) by redesignating sections 626, 627, and 628 as sections 627, 628, and 629, respectively; and

(2) by inserting after section 625 the following:

''SEC. 626. FINANCIAL ASSISTANCE.

''(a) AUTHORITY.—The Institute may provide financial assistance, in the form of summer stipends described in subsection (b) and Ralph Bunche scholarship assistance described in subsection (c), to needy students to facilitate the participation of the students in the Institute's programs under this part.

''(b) SUMMER STIPENDS.—

''(1) REQUIREMENTS.—A student receiving a summer stipend under this section shall use such stipend to defray the student's cost of participation in a summer institute program funded under this part, including the costs of travel, living, and educational expenses necessary for the student's participation in such program.

''(2) AMOUNT.—A summer stipend awarded to a student under this section shall not exceed $3,000 per summer.

''(c) RALPH BUNCHE SCHOLARSHIP.—

''(1) REQUIREMENTS.—A student receiving a Ralph Bunche scholarship under this section—

''(A) shall be a full-time student at an institution of higher education who is accepted into a program funded under this part; and

''(B) shall use such scholarship to pay costs related to the cost of attendance, as defined in section 472, at the institution of higher education in which the student is enrolled.

''(2) AMOUNT AND DURATION.—A Ralph Bunche scholarship awarded to a student under this section shall not exceed $5,000 per academic year.''.

SEC. 618. REPORT.

Section 627 (as redesignated by section 617(1)) (20 U.S.C. 1131d) is amended by striking ''annually'' and inserting ''biennially''.

SEC. 619. GIFTS AND DONATIONS.

Section 628 (as redesignated by section 617(1)) (20 U.S.C. 1131e) is amended by striking ''annual report described in section 626'' and inserting ''biennial report described in section 627''.

SEC. 620. AUTHORIZATION OF APPROPRIATIONS FOR THE INSTITUTE FOR INTERNATIONAL PUBLIC POLICY.

Section 629 (as redesignated by section 617(1)) (20 U.S.C. 1131f) is amended by striking ''$10,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.''.

SEC. 621. DEFINITIONS.

Section 631 (20 U.S.C. 1132) is amended—

(1) by striking paragraph (7);

(2) by redesignating paragraphs (2), (3), (4), (5), (6), (8), and (9), as paragraphs (7), (4), (8), (2), (10), (6), and (3), respectively;

(3) in paragraph (2), as redesignated by paragraph (2), by striking ''comprehensive language and area center'' and inserting ''comprehensive foreign language and area or international studies center'';

(4) in paragraph (3), as redesignated by paragraph (2), by striking the period at the end and inserting a semicolon;

(5) by inserting after paragraph (4), as redesignated by paragraph (2), the following:

''(5) the term 'historically Black college and university' has the meaning given the term 'part B institution' in section 322;'';

(6) in paragraph (6), as redesignated by paragraph (2), by striking ''and'' after the semicolon;

(7) by inserting after paragraph (8), as redesignated by paragraph (2), the following:

''(9) the term 'tribally controlled college or university' has the meaning given the term in section 2 of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801); and''; and

(8) in paragraph (10), as redesignated by paragraph (2), by striking ''undergraduate language and area center'' and inserting ''undergraduate foreign language and area or international studies center''.

SEC. 622. ASSESSMENT AND ENFORCEMENT.

Part D of title VI (20 U.S.C. 1132) is amended by adding at the end the following:

''SEC. 632. ASSESSMENT; ENFORCEMENT; RULE OF CONSTRUCTION.

''(a) IN GENERAL.—The Secretary is authorized to assess and ensure compliance with all the conditions and terms of grants provided under this title. If a complaint regarding activities funded under this title is not resolved under the process outlined in the relevant grantee's application, such complaint shall be filed with the Department and reviewed by the Secretary. The Secretary shall take the review of such complaints into account when determining the renewal of grants.

''(b) RULE OF CONSTRUCTION.—Nothing in this title shall be construed to authorize the Secretary to mandate, direct, or control an institution of higher education's specific instructional content, curriculum, or program of instruction.

''SEC. 633. EVALUATION, OUTREACH, AND INFORMATION.

''The Secretary may use not more than 1 percent of the funds made available under this title to carry out program evaluation, national outreach, and information dissemination activities relating to the programs authorized under this title.

''SEC. 634. BIENNIAL REPORT.

''The Secretary shall, in consultation and collaboration with the Secretary of State, the Secretary of Defense, and the heads of other relevant Federal agencies, submit a biennial report

that identifies areas of national need in foreign language, area, and international studies as such studies relate to government, education, business, and nonprofit needs, and a plan to address those needs. The report shall be provided to the authorizing committees and made available to the public.''.

TITLE VII—GRADUATE AND POSTSECONDARY IMPROVEMENT PROGRAMS

SEC. 701. PURPOSE.

Section 700(1)(B)(i) (20 U.S.C. 1133(1)(B)(i)) is amended by inserting '', including those areas critical to United States national and homeland security needs such as mathematics, science, and engineering'' before the semicolon at the end.

SEC. 702. ALLOCATION OF JACOB K. JAVITS FELLOWSHIPS.

Section 702(a)(1) (20 U.S.C. 1134a(a)(1)) is amended to read as follows:

''(1) APPOINTMENT.—

''(A) IN GENERAL.—The Secretary shall appoint a Jacob K. Javits Fellows Program Fellowship Board (referred to in this subpart as the 'Board') consisting of 9 individuals representative of both public and private institutions of higher education who are especially qualified to serve on the Board.

''(B) QUALIFICATIONS.—In making appointments under subparagraph (A), the Secretary shall—

''(i) give due consideration to the appointment of individuals who are highly respected in the academic community;

''(ii) assure that individuals appointed to the Board are broadly representative of a range of disciplines in graduate education in arts, humanities, and social sciences;

''(iii) appoint members to represent the various geographic regions of the United States; and

''(iv) include representatives from minority institutions, as defined in section 365.''.

SEC. 703. STIPENDS.

Section 703(a) (20 U.S.C. 1134b(a)) is amended by striking ''graduate fellowships'' and inserting ''Graduate Research Fellowship Program''.

SEC. 704. AUTHORIZATION OF APPROPRIATIONS FOR THE JACOB K. JAVITS FELLOWSHIP PROGRAM.

Section 705 (20 U.S.C. 1134d) is amended by striking ''$30,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years to carry out this subpart.''.

SEC. 705. INSTITUTIONAL ELIGIBILITY UNDER THE GRADUATE ASSISTANCE IN AREAS OF NATIONAL NEED PROGRAM.

Section 712(b) (20 U.S.C. 1135a(b)) is amended to read as follows:

''(b) DESIGNATION OF AREAS OF NATIONAL NEED.—After consultation with appropriate Federal and nonprofit agencies and organizations, including the National Science Foundation, the Department of Defense, the Department of Homeland Security, the National Academy of Sciences, and the Bureau of Labor Statistics, the Secretary shall designate areas of national need. In making such designations, the Secretary shall take into consideration—

''(1) the extent to which the interest in the area is compelling;

''(2) the extent to which other Federal programs support postbaccalaureate study in the area concerned;

''(3) an assessment of how the program may achieve the most significant impact with available resources; and

''(4) an assessment of current and future professional workforce needs of the United States.''.

SEC. 706. AWARDS TO GRADUATE STUDENTS.

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

(1) in subsection (b)—

(A) by striking ''1999–2000'' and inserting ''2008–2009''; and

(B) by striking ''graduate fellowships'' and inserting ''Graduate Research Fellowship Program''; and

(2) in subsection (c)—

(A) by striking ''716(a)'' and inserting ''715(a)''; and

(B) by striking ''714(b)(2)'' and inserting ''713(b)(2)''.

SEC. 707. ADDITIONAL ASSISTANCE FOR COST OF EDUCATION.

Section 715(a)(1) (20 U.S.C. 1135d(a)(1)) is amended—

(1) by striking ''1999–2000'' and inserting ''2008–2009''; and

(2) by striking ''1998–1999'' and inserting ''2007–2008''.

SEC. 708. AUTHORIZATION OF APPROPRIATIONS FOR THE GRADUATE ASSISTANCE IN AREAS OF NATIONAL NEED PROGRAM.

Section 716 (20 U.S.C. 1135e) is amended by striking ''$35,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years to carry out this subpart.''.

SEC. 709. LEGAL EDUCATIONAL OPPORTUNITY PROGRAM.

Section 721 (20 U.S.C. 1136) is amended—

(1) in subsection (a)—

(A) by inserting ''secondary school and'' after ''disadvantaged''; and

(B) by inserting ''and admission to law practice'' before the period at the end;

(2) in the matter preceding paragraph (1) of subsection (b), by inserting ''secondary school student or'' before ''college student'';

(3) in subsection (c)—

(A) in paragraph (1), by inserting ''secondary school and'' before ''college students'';

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

''(2) to prepare such students for successful completion of a baccalaureate degree and for study at accredited law schools, and to assist them with the development of analytical skills, writing skills, and study methods to enhance the students' success and promote the students' admission to and completion of law school;'';

(C) in paragraph (4), by striking ''and'' after the semicolon;

(D) by striking paragraph (5) and inserting the following:

''(4) to motivate and prepare such students—

''(A) with respect to law school studies and practice in low-income communities; and

''(B) to provide legal services to low-income individuals and families; and;''; and

(E) by adding at the end the following:

''(6) to award Thurgood Marshall Fellowships to eligible law school students—

''(A) who participated in summer institutes under subsection (d)(6) and who are enrolled in an accredited law school; or

''(B) who have successfully completed summer institute programs comparable to the summer institutes under subsection (d) that are certified by the Council on Legal Education Opportunity.'';

(4) in subsection (d)—

(A) in the matter preceding paragraph (1), by inserting ''pre-college programs, undergraduate'' before ''pre-law'';

(B) in paragraph (1)—

(i) in subparagraph (B), by inserting ''law school'' before ''graduation''; and

(ii) by striking subparagraph (D) and inserting the following:

''(D) pre-college and undergraduate preparatory courses in analytical and writing skills, study methods, and curriculum selection;'';

(C) by redesignating paragraphs (2) through (6) as paragraphs (3) through (7), respectively;

(D) by inserting after paragraph (1) the following:

''(2) summer academic programs for secondary school students who have expressed interest in a career in the law;''; and

(E) in paragraph (7) (as redesignated by subparagraph (C)), by inserting ''and Associates'' after ''Thurgood Marshall Fellows'';

(5) in subsection (e)(1), by inserting '', including before and during undergraduate study'' before the semicolon;

(6) in subsection (f)—

(A) by inserting ''national and State bar associations,'' after ''agencies and organizations,'';

and

(B) by striking ''and organizations.'' and inserting ''organizations, and associations.'';

(7) by striking subsection (g) and inserting the following:

''(g) FELLOWSHIPS AND STIPENDS.—The Secretary shall annually establish the maximum fellowship to be awarded, and stipend to be paid (including allowances for participant travel and for the travel of the dependents of the participant), to Thurgood Marshall Fellows or Associates for the period of participation in summer institutes, midyear seminars, and bar preparation seminars. A Fellow or Associate may be eligible for such a fellowship or stipend only if the Thurgood Marshall Fellow or Associate maintains satisfactory academic progress toward the Juris Doctor or Bachelor of Laws degree, as determined by the respective institutions (except with respect to a law school graduate enrolled in a bar preparation course).''; and

(8) in subsection (h), by striking ''$5,000,000 for fiscal year 1999'' and all that follows through the period at the end and inserting ''such sums as may be necessary for fiscal year 2008 and for each of the 5 succeeding fiscal years''.

SEC. 710. FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION.

Section 741 (20 U.S.C. 1138) is amended—

(1) in subsection (a)—

(A) by striking paragraph (3) and inserting the following:

''(3) the establishment and continuation of institutions, programs, consortia, collaborations, and other joint efforts based on the technology of communications, including those efforts that utilize distance education and technological advancements to educate and train postsecondary students (including health professionals serving medically underserved populations);'';

(B) in paragraph (7), by striking ''and'' after the semicolon;

(C) in paragraph (8), by striking the period at the end and inserting a semicolon; and

(D) by adding at the end the following:

''(9) the introduction of reforms in remedial education, including English language instruction, to customize remedial courses to student goals and help students progress rapidly from remedial courses into core courses and through program completion; and

''(10) the creation of consortia that join diverse institutions of higher education to design and offer curricular and co-curricular interdisciplinary programs at the undergraduate and graduate levels, sustained for not less than a 5 year period, that—

''(A) focus on poverty and human capability; and

''(B) include—

''(i) a service-learning component; and

''(ii) the delivery of educational services through informational resource centers, summer institutes, midyear seminars, and other educational activities that stress the effects of poverty and how poverty can be alleviated through different career paths.''; and

(2) by adding at the end the following:

''(c) PROJECT GRAD.—

''(1) PURPOSES.—The purposes of this subsection are—

''(A) to provide support and assistance to programs implementing integrated education reform services in order to improve secondary school graduation, college attendance, and college completion rates for at-risk students; and

''(B) to promote the establishment of new programs to implement such integrated education reform services.

''(2) DEFINITIONS.—In this subsection:

''(A) AT-RISK.—The term 'at-risk' has the same meaning given such term in section 1432 of the Elementary and Secondary Education Act of 1965.

''(B) FEEDER PATTERN.—The term 'feeder pattern' means a secondary school and the elementary schools and middle schools that channel students into that secondary school.

''(3) GRANT AUTHORIZED.—The Secretary is authorized to award a grant to Project GRAD USA (referred to in this subsection as the 'grantee'), a nonprofit educational organization that has as its primary purpose the improvement of secondary school graduation, college attendance, and college completion rates for at-risk students, to implement and sustain the integrated education reform program at existing Project GRAD sites, and to promote the expansion of the Project GRAD program to new sites.

''(4) REQUIREMENTS OF GRANT AGREEMENT.—The Secretary shall enter into an agreement with the grantee that requires that the grantee shall—

''(A) enter into subcontracts with nonprofit educational organizations that serve a substantial number or percentage of at-risk students (referred to in this subsection as 'subcontractors'), under which the subcontractors agree to implement the Project GRAD program and provide matching funds for such programs; and

''(B) directly carry out—

''(i) activities to implement and sustain the literacy, mathematics, classroom management, social service, and college access components of the Project GRAD program;

''(ii) activities for the purpose of implementing new Project GRAD program sites;

''(iii) activities to support, evaluate, and consistently improve the Project GRAD program;

''(iv) activities for the purpose of promoting greater public awareness of integrated education reform services to improve secondary school graduation, college attendance, and college completion rates for at-risk students; and

''(v) other activities directly related to improving secondary school graduation, college attendance, and college completion rates for at-risk students.

''(5) GRANTEE CONTRIBUTION AND MATCHING REQUIREMENT.—

''(A) IN GENERAL.—The grantee shall provide funds to each subcontractor based on the number of students served by the subcontractor in the Project GRAD program, adjusted to take into consideration—

''(i) the resources available in the area where the subcontractor will implement the Project GRAD program; and

''(ii) the need for the Project GRAD program in such area to improve student outcomes, including reading and mathematics achievement and, where applicable, secondary school graduation, college attendance, and college completion rates.

''(B) MATCHING REQUIREMENT.—Each subcontractor shall provide funds for the Project GRAD program in an amount that is equal to or greater than the amount received by the subcontractor from the grantee. Such matching funds may be provided in cash or in-kind, fairly evaluated.

''(6) EVALUATION.—The Secretary shall select an independent entity to evaluate, every 3 years, the performance of students who participate in a Project GRAD program under this subsection.

''(d) CENTER FOR BEST PRACTICES TO SUPPORT SINGLE PARENT STUDENTS.—

''(1) PROGRAM AUTHORIZED.—The Secretary is authorized to award 1 grant or contract to an institution of higher education to enable such institution to establish and maintain a center to study and develop best practices for institutions of higher education to support single parents who are also students attending such institutions.

''(2) INSTITUTION REQUIREMENTS.—The Secretary shall award the grant or contract under this subsection to a 4-year institution of higher education that has demonstrated expertise in the development of programs to assist single parents who are students at institutions of higher education, as shown by the institution's development of a variety of targeted services to such students, including on-campus housing, child care, counseling, advising, internship opportunities, financial aid, and financial aid counseling and assistance.

''(3) CENTER ACTIVITIES.—The center funded under this section shall—

''(A) assist institutions implementing innovative programs that support single parents pursuing higher education;

''(B) study and develop an evaluation protocol for such programs that includes quantitative and qualitative methodologies;

''(C) provide appropriate technical assistance regarding the replication, evaluation, and continuous improvement of such programs; and

''(D) develop and disseminate best practices for such programs.

''(e) UNDERSTANDING THE FEDERAL REGULATORY IMPACT ON HIGHER EDUCATION.—

''(1) PURPOSE.—The purpose of this subsection is to help institutions of higher education understand the regulatory impact of the Federal Government on such institutions, in order to raise awareness of institutional legal obligations and provide information to improve compliance with, and to reduce the duplication and inefficiency of, Federal regulations.

''(2) PROGRAM AUTHORIZED.—The Secretary is authorized to award 1 grant or contract to an institution of higher education to enable the institution to carry out the activities described in the agreement under paragraph (4).

''(3) INSTITUTION REQUIREMENTS.—The Secretary shall award the grant or contract under this subsection to an institution of higher education that has demonstrated expertise in—

''(A) reviewing Federal higher education regulations;

''(B) maintaining a clearinghouse of compliance training materials; and

''(C) explaining the impact of such regulations to institutions of higher education through a comprehensive and freely accessible website.

''(4) REQUIREMENTS OF AGREEMENT.—As a condition of receiving a grant or contract under this subsection, the institution of higher education shall enter into an agreement with the Secretary that shall require the institution to—

''(A) monitor Federal regulations, including notices of proposed rulemaking, for their impact or potential impact on higher education;

''(B) provide a succinct description of each regulation or proposed regulation that is relevant to higher education; and

''(C) maintain a website providing information on Federal regulations that is easy to use, searchable, and updated regularly.

''(f) SCHOLARSHIP PROGRAM FOR FAMILY MEMBERS OF VETERANS OR MEMBERS OF THE MILITARY.—

''(1) AUTHORIZATION.—The Secretary shall contract with a nonprofit organization with demonstrated experience in carrying out the activities described in this subsection to carry out a program to provide postsecondary education scholarships for eligible students.

''(2) ELIGIBLE STUDENTS.—In this subsection, the term 'eligible student' means an individual who is—

''(A)(i) a dependent student who is a child of—

''(I) an individual who is—

''(aa) serving on active duty during a war or other military operation or national emergency (as defined in section 481); or

''(bb) performing qualifying National Guard duty during a war or other military operation or national emergency (as defined in section 481); or

''(II) a veteran who died while serving or performing, as described in subclause (I), since September 11, 2001, or has been disabled while serving or performing, as described in subclause (I), as a result of such event; or

''(ii) an independent student who is a spouse of—

''(I) an individual who is—

''(aa) serving on active duty during a war or other military operation or national emergency (as defined in section 481); or

''(bb) performing qualifying National Guard duty during a war or other military operation or national emergency (as defined in section 481); or

''(II) a veteran who died while serving or performing, as described in subclause (I), since September 11, 2001, or has been disabled while serving or performing, as described in subclause (I), as a result of such event; and

''(B) enrolled as a full-time or part-time student at an institution of higher education (as defined in section 102).

''(3) AWARDING OF SCHOLARSHIPS.—Scholarships awarded under this subsection shall be awarded based on need with priority given to eligible students who are eligible to receive Federal Pell Grants under subpart 1 of part A of title IV.

''(4) MAXIMUM SCHOLARSHIP AMOUNT.—The maximum scholarship amount awarded to an eligible student under this subsection for an academic year shall be the lesser of—

''(A) the difference between the eligible student's cost of attendance (as defined in section 472) and any non-loan based aid such student receives; or

''(B) $5,000.

''(5) AMOUNTS FOR SCHOLARSHIPS.—100 percent of amounts appropriated to carry out this subsection shall be used for scholarships awarded under this subsection.''.

SEC. 711. SPECIAL PROJECTS.

Section 744(c) (20 U.S.C. 1138c) is amended to read as follows:

''(c) AREAS OF NATIONAL NEED.—Areas of national need shall include, at a minimum, the following:

''(1) Institutional restructuring to improve learning and promote productivity, efficiency, quality improvement, and cost and price control.

''(2) Improvements in academic instruction and student learning, including efforts designed to assess the learning gains made by postsecondary students.

''(3) Articulation between 2- and 4-year institutions of higher education, including developing innovative methods for ensuring the successful transfer of students from 2- to 4-year institutions of higher education.

''(4) Development, evaluation and dissemination of model programs, including model core curricula that—

''(A) provide students with a broad and integrated knowledge base;

''(B) include, at a minimum, broad survey courses in English literature, American and world history, American political institutions, economics, philosophy, college-level mathematics, and the natural sciences; and

''(C) include sufficient study of a foreign language to lead to reading and writing competency in the foreign language.

''(5) International cooperation and student exchanges among postsecondary educational institutions.''.

SEC. 712. AUTHORIZATION OF APPROPRIATIONS FOR THE FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION.

Section 745 (20 U.S.C. 1138d) is amended by striking ''$30,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.''.

SEC. 713. REPEAL OF THE URBAN COMMUNITY SERVICE PROGRAM.

Part C of title VII (20 U.S.C. 1139 et seq.) is repealed.

SEC. 714. GRANTS FOR STUDENTS WITH DISABILITIES.

(a) GRANTS AUTHORIZED FOR DEMONSTRATION PROJECTS TO ENSURE STUDENTS WITH DISABILITIES RECEIVE A QUALITY HIGHER EDUCATION.—Section 762 (20 U.S.C. 1140a) is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) in subparagraph (A), by striking ''to teach students with disabilities'' and inserting ''to teach and meet the academic and programmatic needs of students with disabilities in order to improve retention and completion of postsecondary education'';

(ii) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (F), respectively;

(iii) by inserting after subparagraph (A) the following:

''(B) EFFECTIVE TRANSITION PRACTICES.—The development of innovative and effective teaching methods and strategies to ensure the successful transition of students with disabilities from secondary school to postsecondary education.'';

(iv) in subparagraph (C), as redesignated by clause (ii), by striking the period at the end and inserting '', including data on the postsecondary education of and impact on subsequent employment of students with disabilities. Such research, information, and data shall be made publicly available and accessible.'';

(v) by inserting after subparagraph (C), as redesignated by clause (ii), the following:

''(D) DISTANCE LEARNING.—The development of innovative and effective teaching methods and strategies to provide faculty and administrators with the ability to provide accessible distance education programs or classes that would enhance access of students with disabilities to higher education, including the use of accessible curriculum and electronic communication for instruction and advisement.

''(E) DISABILITY CAREER PATHWAYS.—

''(i) IN GENERAL.—Training and providing support to secondary and postsecondary staff with respect to disability-related fields to—

''(I) encourage interest and participation in such fields, among students with disabilities and other students;

''(II) enhance awareness and understanding of such fields among such students;

''(III) provide educational opportunities in such fields among such students;

''(IV) teach practical skills related to such fields among such students; and

''(V) offer work-based opportunities in such fields among such students.

''(ii) DEVELOPMENT.—The training and support described in clause (i) may include developing means to offer students credit-bearing, college-level coursework, and career and educational counseling.''; and

(vi) by adding at the end the following:

''(G) ACCESSIBILITY OF EDUCATION.—Making postsecondary education more accessible to students with disabilities through curriculum development.''; and

(B) in paragraph (3), by striking ''subparagraphs (A) through (C)'' and inserting ''subparagraphs (A) through (G)''; and

(2) by adding at the end the following:

''(d) REPORT.—Not later than 3 years after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall prepare and disseminate a report reviewing the activities of the demonstration projects authorized under this subpart and providing guidance and recommendations on how successful projects can be replicated.''.

(b) TRANSITION PROGRAMS FOR STUDENTS WITH INTELLECTUAL DISABILITIES INTO HIGHER EDUCATION; COORDINATING CENTER.—Part D of title VII (20 U.S.C. 1140 et seq.) is further amended—

(1) in the part heading, by striking ''**DEMONSTRATION**'';

(2) by inserting after the part heading the following:

''Subpart 1—Quality Higher Education'';

and

(3) by adding at the end the following:

''Subpart 2—Transition Programs for Students With Intellectual Disabilities Into Higher Education; Coordinating Center

''SEC. 771. PURPOSE.

''It is the purpose of this subpart to support model demonstration programs that promote the successful transition of students with intellectual disabilities into higher education.

''SEC. 772. DEFINITIONS.

''In this subpart:

''(1) COMPREHENSIVE TRANSITION AND POSTSECONDARY PROGRAM FOR STUDENTS WITH INTELLECTUAL DISABILITIES.—The term 'comprehensive transition and postsecondary program for students with intellectual disabilities' means a degree, certificate, or nondegree program offered by an institution of higher education that—

''(A) is designed for students with intellectual disabilities who seek to continue academic, vocational, or independent living instruction at the institution in order to prepare for gainful employment;

''(B) includes an advising and curriculum structure; and

''(C) requires the enrollment of the student (through enrollment in credit-bearing courses, auditing or participating in courses, participating in internships, or enrollment in noncredit, nondegree courses) in the equivalent of not less than a half-time course of study, as determined by the institution.

''(2) STUDENT WITH AN INTELLECTUAL DISABILITY.—The term 'student with an intellectual disability' means a student whose mental retardation or other significant cognitive impairment substantially impacts the student's intellectual and cognitive functioning.

''SEC. 773. MODEL COMPREHENSIVE TRANSITION AND POSTSECONDARY PROGRAMS FOR STUDENTS WITH INTELLECTUAL DISABILITIES.

''(a) GRANTS AUTHORIZED.—

''(1) IN GENERAL.—The Secretary shall annually award grants, on a competitive basis, to institutions of higher education (or consortia of institutions of higher education), to create or expand high-quality, inclusive model comprehensive transition and postsecondary programs for students with intellectual disabilities.

''(2) NUMBER AND DURATION OF GRANTS.—The Secretary shall award not less than 10 grants per year under this section, and each grant awarded under this subsection shall be for a period of 5 years.

''(b) APPLICATION.—An institution of higher education (or a consortium) desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

''(c) PREFERENCE.—In awarding grants under this section, the Secretary shall give preference to institutions of higher education (or consortia) that—

''(1) will carry out a model program under the grant in a State that does not already have a comprehensive transition and postsecondary program for students with intellectual disabilities; or

''(2) in the application submitted under subsection (b), agree to incorporate 1 or more the following elements into the model programs carried out under the grant:

''(A) The formation of a partnership with any relevant agency serving students with intellectual disabilities, such as a vocational rehabilitation agency.

''(B) In the case of an institution of higher education that provides institutionally-owned or operated housing for students attending the institution, the integration of students with intellectual disabilities into such housing.

''(C) The involvement of students attending the institution of higher education who are studying special education, general education, vocational rehabilitation, assistive technology, or related fields in the model program carried out under the grant.

''(d) USE OF FUNDS.—An institution of higher education (or consortium) receiving a grant under this section shall use the grant funds to establish a model comprehensive transition and postsecondary program for students with intellectual disabilities that—

''(1) serves students with intellectual disabilities, including students with intellectual disabilities who are no longer eligible for special education and related services under the Individuals with Disabilities Education Act;

''(2) provides individual supports and services for the academic and social inclusion of students with intellectual disabilities in academic courses, extracurricular activities, and other aspects of the institution of higher education's regular postsecondary program;

''(3) with respect to the students with intellectual disabilities participating in the model program, provides a focus on—

''(A) academic enrichment;

''(B) socialization;

''(C) independent living, including self-advocacy skills; and

''(D) integrated work experiences and career skills that lead to gainful employment;

''(4) integrates person-centered planning in the development of the course of study for each student with an intellectual disability participating in the model program;

''(5) participates with the coordinating center established under section 774 in the evaluation of the model program;

''(6) partners with 1 or more local educational agencies to support students with intellectual disabilities participating in the model program who are still eligible for special education and related services under such Act, including regarding the utilization of funds available under part B of the Individuals with Disabilities Education Act for such students;

''(7) plans for the sustainability of the model program after the end of the grant period; and

''(8) creates and offers a meaningful credential for students with intellectual disabilities upon the completion of the model program.

''(e) MATCHING REQUIREMENT.—An institution of higher education that receives a grant under this section shall provide toward the cost of the model comprehensive transition and postsecondary program for students with intellectual disabilities carried out under the grant, matching funds, which may be provided in cash or in-kind, in an amount not less than 25 percent of the amount of such grant funds.

''(f) REPORT.—Not later than 3 years after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall prepare and disseminate a report reviewing the activities of the model comprehensive transition and postsecondary programs for students with intellectual disabilities authorized under this subpart and providing guidance and recommendations on how successful programs can be replicated.

''(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary.

''SEC. 774. COORDINATING CENTER FOR TECHNICAL ASSISTANCE, EVALUATION, AND DEVELOPMENT OF ACCREDITATION STANDARDS.

''(a) IN GENERAL.—

''(1) AWARD.—The Secretary shall, on a competitive basis, enter into a cooperative agreement with an eligible entity, for the purpose of establishing a coordinating center for technical assistance, evaluation, and development of accreditation standards for institutions of higher education that offer inclusive model comprehensive transition and postsecondary programs for students with intellectual disabilities.

''(2) DURATION.—The cooperative agreement under this section shall be for a period of 5 years.

''(b) REQUIREMENTS OF COOPERATIVE AGREEMENT.—The eligible entity entering into a cooperative agreement under this section shall establish and maintain a center that shall—

''(1) serve as the technical assistance entity for all model comprehensive transition and postsecondary programs for students with intellectual disabilities assisted under section 773;

''(2) provide technical assistance regarding the development, evaluation, and continuous improvement of such programs;

''(3) develop an evaluation protocol for such programs that includes qualitative and quantitative methodology measuring student outcomes and program strengths in the areas of academic enrichment, socialization, independent living, and competitive or supported employment;

''(4) assist recipients of grants under section 773 in efforts to award a meaningful credential to students with intellectual disabilities upon the completion of such programs, which credential takes into consideration unique State factors;

''(5) develop model criteria, standards, and procedures to be used in accrediting such programs that—

''(A) include, in the development of the model criteria, standards, and procedures for such programs, the participation of—

''(i) an expert in higher education;

''(ii) an expert in special education;

''(iii) a disability organization that represents students with intellectual disabilities; and

''(iv) a State, regional, or national accrediting agency or association recognized by the Secretary under subpart 2 of part H of title IV; and

''(B) define the necessary components of such programs, such as—

''(i) academic, vocational, social, and independent living skills;

''(ii) evaluation of student progress;

''(iii) program administration and evaluation;

''(iv) student eligibility; and

''(v) issues regarding the equivalency of a student's participation in such programs to semester, trimester, quarter, credit, or clock hours at an institution of higher education, as the case may be;

''(6) analyze possible funding streams for such programs and provide recommendations regarding the funding streams;

''(7) develop model memoranda of agreement between institutions of higher education and agencies providing funding for such programs;

''(8) develop mechanisms for regular communication between the recipients of grants under section 773 regarding such programs; and

''(9) host a meeting of all recipients of grants under section 773 not less often than once a year.

''(c) DEFINITION OF ELIGIBLE ENTITY.—In this section, the term 'eligible entity' means an entity, or a partnership of entities, that has demonstrated expertise in the fields of higher education, students with intellectual disabilities, the development of comprehensive transition and postsecondary programs for students with intellectual disabilities, and evaluation.

''(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary.''.

(c) CONFORMING AMENDMENTS.—Part D of title VII (20 U.S.C. 1140 et seq.) is further amended—

(1) in section 761, by striking ''part'' and inserting ''subpart'';

(2) in section 762 (as amended by subsection (a)), by striking ''part'' each place the term appears and inserting ''subpart'';

(3) in section 763, by striking ''part'' both places the term appears and inserting ''subpart'';

(4) in section 764, by striking ''part'' and inserting ''subpart''; and

(5) in section 765, by striking ''part'' and inserting ''subpart''.

SEC. 715. APPLICATIONS FOR DEMONSTRATION PROJECTS TO ENSURE STUDENTS WITH DISABILITIES RECEIVE A QUALITY HIGHER EDUCATION.

Section 763 (as amended in section 714(c)(3)) (20 U.S.C. 1140b) is further amended—

(1) by striking paragraph (1) and inserting the following:

''(1) a description of how such institution plans to address the activities allowed under this subpart;'';

(2) in paragraph (2), by striking ''and'' after the semicolon;

(3) in paragraph (3), by striking the period at the end and inserting ''; and''; and

(4) by adding at the end the following:

''(4) a description of the extent to which the institution will work to replicate the research based and best practices of institutions of higher education with demonstrated success in serving students with disabilities.''.

SEC. 716. AUTHORIZATION OF APPROPRIATIONS FOR DEMONSTRATION PROJECTS TO ENSURE STUDENTS WITH DISABILITIES RECEIVE A QUALITY HIGHER EDUCATION.

Section 765 (20 U.S.C. 1140d) is amended by striking ''$10,000,000 for fiscal year 1999'' and all that follows through the period and inserting ''such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.''.

SEC. 717. RESEARCH GRANTS.

Title VII (20 U.S.C. 1133 et seq.) is further amended by adding at the end the following:

"PART E—RESEARCH GRANTS

"SEC. 781. RESEARCH GRANTS.

''(a) GRANTS AUTHORIZED.—The Secretary is authorized to award grants, on a competitive basis, to eligible entities to enable the eligible entities to develop or improve valid and reliable measures of student achievement for use by institutions of higher education to measure and evaluate learning in higher education.

''(b) DEFINITIONS.—In this section:

''(1) ELIGIBLE ENTITY.—The term 'eligible entity' means—

''(A) an institution of higher education;

''(B) a State agency responsible for higher education;

''(C) a recognized higher education accrediting agency or an organization of higher education accreditors;

''(D) an eligible applicant described in section 174(c) of the Education Sciences Reform Act of 2002; and

''(E) a consortium of any combination of entities described in subparagraphs (A) through (D).

''(c) APPLICATION.—

''(1) IN GENERAL.—Each eligible entity that desires a grant under this part shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

''(2) CONTENTS.—Each application submitted under subsection (a) shall include a description of how the eligible entity—

''(A) will work with relevant experts, including psychometricians, research experts, institutions, associations, and other qualified individuals as determined appropriate by the eligible entity;

''(B) will reach a broad and diverse range of audiences;

''(C) has participated in work in improving postsecondary education;

''(D) has participated in work in developing or improving assessments to measure student achievement;

''(E) includes faculty, to the extent practicable, in the development of any assessments or measures of student achievement; and

''(F) will focus on program specific measures of student achievement generally applicable to an entire—

''(i) institution of higher education; or

''(ii) State system of higher education.

''(d) AWARD BASIS.—In awarding grants under this section, the Secretary shall take into consideration—

''(1) the quality of an application for a grant under this section;

''(2) the distribution of the grants to different—

''(A) geographic regions;

''(B) types of institutions of higher education; and

''(C) higher education accreditors.

''(e) USE OF FUNDS.—Each eligible entity receiving a grant under this section may use the grant funds—

''(1) to enable the eligible entity to improve the quality, validity, and reliability of existing assessments used by institutions of higher education;

''(2) to develop measures of student achievement using multiple measures of student achievement from multiple sources;

''(3) to measure improvement in student achievement over time;

''(4) to evaluate student achievement;

''(5) to develop models of effective practices; and

''(6) for a pilot or demonstration project of measures of student achievement.

''(f) MATCHING REQUIREMENT.—An eligible entity described in subparagraph (A), (B), or (C) of subsection (b)(1) that receives a grant under this section shall provide for each fiscal year, from non-Federal sources, an amount (which may be provided in cash or in kind), to carry out the activities supported by the grant, equal to 50 percent of the amount received for the fiscal year under the grant.

''(g) SUPPLEMENT, NOT SUPPLANT.—Grant funds provided under this section shall be used to supplement, not supplant, other Federal or State funds.

''(h) REPORT.—

''(1) REPORT.—The Secretary shall provide an annual report to Congress on the implementation of the grant program assisted under this section.

''(2) CONTENT.—The report shall include—

''(A) information regarding the development or improvement of scientifically valid and reliable measures of student achievement;

''(B) a description of the assessments or other measures developed by eligible entities;

''(C) the results of any pilot or demonstration projects assisted under this section; and

''(D) such other information as the Secretary may require.''.

TITLE VIII—MISCELLANEOUS

SEC. 801. MISCELLANEOUS.

The Act (20 U.S.C. 1001 et seq.) is amended by adding at the end the following:

"TITLE VIII—MISCELLANEOUS

"PART A—MATHEMATICS AND SCIENCE SCHOLARS PROGRAM

"SEC. 811. MATHEMATICS AND SCIENCE SCHOLARS PROGRAM.

''(a) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants to States, on a competitive basis, to enable the States to award eligible students, who complete a rigorous secondary school curriculum in mathematics and science, scholarships for undergraduate study.

''(b) ELIGIBLE STUDENTS.—A student is eligible for a scholarship under this section if the student is a full-time undergraduate student in the student's first and second year of study who has completed a rigorous secondary school curriculum in mathematics and science.

''(c) RIGOROUS CURRICULUM.—Each participating State shall determine the requirements for a rigorous secondary school curriculum in mathematics and science described in subsection (b).

''(d) PRIORITY FOR SCHOLARSHIPS.—The Governor of a State may set a priority for awarding scholarships under this section for particular eligible students, such as students attending schools in high-need areas, students who are from groups underrepresented in the fields of mathematics, science, and engineering, students

served by local educational agencies that do not meet or exceed State standards in mathematics and science, or students with regional or geographic needs as determined appropriate by the Governor.

''(e) AMOUNT AND DURATION OF SCHOLARSHIP.—The Secretary shall award a grant under this section—

''(1) in an amount that does not exceed $1,000; and

''(2) for not more than 2 years of undergraduate study.

''(f) MATCHING REQUIREMENT.—In order to receive a grant under this section, a State shall provide matching funds for the scholarships awarded under this section in an amount equal to 50 percent of the Federal funds received.

''(g) AUTHORIZATION.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

"PART B—POSTSECONDARY EDUCATION ASSESSMENT

"SEC. 816. POSTSECONDARY EDUCATION ASSESSMENT.

''(a) CONTRACT FOR ASSESSMENT.—The Secretary shall enter into a contract, with an independent, bipartisan organization with specific expertise in public administration and financial management, to carry out an independent assessment of the cost factors associated with the cost of tuition at institutions of higher education.

''(b) TIMEFRAME.—The Secretary shall enter into the contract described in subsection (a) not later than 90 days after the date of enactment of the Higher Education Amendments of 2007.

''(c) MATTERS ASSESSED.—The assessment described in subsection (a) shall—

''(1) examine the key elements driving the cost factors associated with the cost of tuition at institutions of higher education during the 2001–2002 academic year and succeeding academic years;

''(2) identify and evaluate measures being used to control postsecondary education costs;

''(3) identify and evaluate effective measures that may be utilized to control postsecondary education costs in the future; and

''(4) identify systemic approaches to monitor future postsecondary education cost trends and postsecondary education cost control mechanisms.

"PART C—JOB SKILL TRAINING IN HIGH-GROWTH OCCUPATIONS OR INDUSTRIES

"SEC. 821. JOB SKILL TRAINING IN HIGH-GROWTH OCCUPATIONS OR INDUSTRIES.

''(a) GRANTS AUTHORIZED.—The Secretary is authorized to award grants, on a competitive basis, to eligible partnerships to enable the eligible partnerships to provide relevant job skill training in high-growth industries or occupations.

''(b) DEFINITIONS.—In this section:

''(1) ELIGIBLE PARTNERSHIP.—The term 'eligible partnership' means a partnership—

''(A) between an institution of higher education and a local board (as such term is defined in section 101 of the Workforce Investment Act of 1998); or

''(B) if an institution of higher education is located within a State that does not operate local boards, between the institution of higher education and a State board (as such term is defined in section 101 of the Workforce Investment Act of 1998).

''(2) NONTRADITIONAL STUDENT.—The term 'nontraditional student' means a student who—

''(A) is independent, as defined in section 480(d);

''(B) attends an institution of higher education—

''(i) on less than a full-time basis;

''(ii) via evening, weekend, modular, or compressed courses; or

''(iii) via distance education methods; or

''(C) has delayed enrollment at an institution of higher education.

''(3) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' means an institution of higher education, as defined in section 101(b), that offers a 1- or 2-year program of study leading to a degree or certificate.

''(c) APPLICATION.—

''(1) IN GENERAL.—Each eligible partnership that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such additional information as the Secretary may require.

''(2) CONTENTS.—Each application submitted under paragraph (1) shall include a description of—

''(A) how the eligible partnership, through the institution of higher education, will provide relevant job skill training for students to enter high-growth occupations or industries;

''(B) local high-growth occupations or industries; and

''(C) the need for qualified workers to meet the local demand of high-growth occupations or industries.

''(d) AWARD BASIS.—In awarding grants under this section, the Secretary shall—

''(1) ensure an equitable distribution of grant funds under this section among urban and rural areas of the United States; and

''(2) take into consideration the capability of the institution of higher education—

''(A) to offer relevant, high quality instruction and job skill training for students entering a high-growth occupation or industry;

''(B) to involve the local business community and to place graduates in the community in employment in high-growth occupations or industries;

''(C) to provide secondary students with dual-enrollment or concurrent enrollment options;

''(D) to serve nontraditional or low-income students, or adult or displaced workers; and

''(E) to serve students from rural or remote communities.

''(e) USE OF FUNDS.—Grant funds provided under this section may be used—

''(1) to expand or create academic programs or programs of training that provide relevant job skill training for high-growth occupations or industries;

''(2) to purchase equipment which will facilitate the development of academic programs or programs of training that provide training for high-growth occupations or industries;

''(3) to support outreach efforts that enable students to attend institutions of higher education with academic programs or programs of training focused on high-growth occupations or industries;

''(4) to expand or create programs for distance, evening, weekend, modular, or compressed learning opportunities that provide relevant job skill training in high-growth occupations or industries;

''(5) to build partnerships with local businesses in high-growth occupations or industries;

''(6) to support curriculum development related to entrepreneurial training; and

''(7) for other uses that the Secretary determines to be consistent with the intent of this section.

''(f) REQUIREMENTS.—

''(1) FISCAL AGENT.—For the purpose of this section, the institution of higher education in an eligible partnership shall serve as the fiscal agent and grant recipient for the eligible partnership.

''(2) DURATION.—The Secretary shall award grants under this section for periods that may not exceed 5 years.

''(3) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this section shall be used to supplement and not supplant other Federal, State, and local funds available to the eligible partnership for carrying out the activities described in subsection (e).

''(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this part such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

"PART D—ADDITIONAL CAPACITY FOR R.N. STUDENTS OR GRADUATE-LEVEL NURSING STUDENTS

"SEC. 826. ADDITIONAL CAPACITY FOR R.N. STUDENTS OR GRADUATE-LEVEL NURSING STUDENTS.

''(a) AUTHORIZATION.—The Secretary shall award grants to institutions of higher education that offer—

''(1) a R.N. nursing program at the baccalaureate or associate degree level to enable such program to expand the faculty and facilities of such program to accommodate additional R.N. nursing program students; or

''(2) a graduate-level nursing program to accommodate advanced practice degrees for R.N.s or to accommodate students enrolled in a graduate-level nursing program to provide teachers of nursing students.

''(b) DETERMINATION OF NUMBER OF STUDENTS AND APPLICATION.—Each institution of higher education that offers a program described in subsection (a) that desires to receive a grant under this section shall—

''(1) determine for the 4 academic years preceding the academic year for which the determination is made the average number of matriculated nursing program students at such institution for such academic years; and

''(2) submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require, including the average number determined under paragraph (1).

''(c) GRANT AMOUNT; AWARD BASIS.—

''(1) GRANT AMOUNT.—For each academic year after academic year 2006-2007, the Secretary shall provide to each institution of higher education awarded a grant under this section an amount that is equal to $3,000 multiplied by the number of matriculated nursing program students at such institution for such academic year that is more than the average number determined with respect to such institution under subsection (b)(1). Such amount shall be used for the purposes described in subsection (a).

''(2) DISTRIBUTION OF GRANTS AMONG DIFFERENT DEGREE PROGRAMS.—

''(A) IN GENERAL.—Subject to subparagraph (B), from the funds available to award grants under this section for each fiscal year, the Secretary shall—

''(i) use 20 percent of such funds to award grants under this section to institutions of higher education for the purpose of accommodating advanced practice degrees or students in graduate-level nursing programs;

''(ii) use 40 percent of such funds to award grants under this section to institutions of higher education for the purpose of expanding R.N. nursing programs at the baccalaureate degree level; and

''(iii) use 40 percent of such funds to award grants under this section to institutions of higher education for the purpose of expanding R.N. nursing programs at the associate degree level.

''(B) DISTRIBUTION OF EXCESS FUNDS.—If, for a fiscal year, funds described in clause (i), (ii), or (iii) of subparagraph (A) remain after the Secretary awards grants under this section to all applicants for the particular category of nursing programs described in such clause, the Secretary shall use equal amounts of the remaining funds to award grants under this section to applicants for the remaining categories of nursing programs.

''(C) EQUITABLE DISTRIBUTION.—In awarding grants under this section, the Secretary shall, to the extent practicable, ensure—

''(i) an equitable geographic distribution of the grants among the States; and

''(ii) an equitable distribution of the grants among different types of institutions of higher education.

''(d) PROHIBITION.—

''(1) IN GENERAL.—Funds provided under this section may not be used for the construction of new facilities.

''(2) RULE OF CONSTRUCTION.—Nothing in paragraph (1) shall be construed to prohibit funds provided under this section from being used for the repair or renovation of facilities.

''(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary.

''PART E—AMERICAN HISTORY FOR FREEDOM

''SEC. 831. AMERICAN HISTORY FOR FREEDOM.

''(a) GRANTS AUTHORIZED.—The Secretary is authorized to award 3-year grants, on a competitive basis, to eligible institutions to establish or strengthen postsecondary academic programs or centers that promote and impart knowledge of—

''(1) traditional American history;

''(2) the history and nature of, and threats to, free institutions; or

''(3) the history and achievements of Western civilization.

''(b) DEFINITIONS.—In this section:

''(1) ELIGIBLE INSTITUTION.—The term 'eligible institution' means an institution of higher education as defined in section 101.

''(2) FREE INSTITUTION.—The term 'free institution' means an institution that emerged out of Western civilization, such as democracy, constitutional government, individual rights, market economics, religious freedom and religious tolerance, and freedom of thought and inquiry.

''(3) TRADITIONAL AMERICAN HISTORY.—The term 'traditional American history' means—

''(A) the significant constitutional, political, intellectual, economic, and foreign policy trends and issues that have shaped the course of American history; and

''(B) the key episodes, turning points, and leading figures involved in the constitutional, political, intellectual, diplomatic, and economic history of the United States.

''(c) APPLICATION.—

''(1) IN GENERAL.—Each eligible institution that desires a grant under this part shall submit an application to the Secretary at such time, in such manner, and accompanied by such additional information as the Secretary may require.

''(2) CONTENTS.—Each application submitted under subsection (a) shall include a description of —

''(A) how funds made available under this part will be used for the activities set forth under subsection (e), including how such activities will increase knowledge with respect to traditional American history, free institutions, or Western civilization;

''(B) how the eligible institution will ensure that information about the activities funded under this part is widely disseminated pursuant to subsection (e)(1)(B);

''(C) any activities to be undertaken pursuant to subsection (e)(2)(A), including identification of entities intended to participate;

''(D) how funds made available under this part shall be used to supplement and not supplant non-Federal funds available for the activities described in subsection (e); and

''(E) such fiscal controls and accounting procedures as may be necessary to ensure proper disbursement of and accounting for funding made available to the eligible institution under this part.

''(d) AWARD BASIS.—In awarding grants under this part, the Secretary shall take into consideration the capability of the eligible institution to—

''(1) increase access to quality programming that expands knowledge of traditional American history, free institutions, or Western civilization;

''(2) involve personnel with strong expertise in traditional American history, free institutions, or Western civilization; and

''(3) sustain the activities funded under this part after the grant has expired.

''(e) USE OF FUNDS.—

''(1) REQUIRED USE OF FUNDS.—Funds provided under this part shall be used to—

''(A) establish or strengthen academic programs or centers focused on traditional American history, free institutions, or Western civilization, which may include—

''(i) design and implementation of programs of study, courses, lecture series, seminars, and symposia;

''(ii) development, publication, and dissemination of instructional materials;

''(iii) research;

''(iv) support for faculty teaching in undergraduate and, if applicable, graduate programs;

''(v) support for graduate and postgraduate fellowships, if applicable; or

''(vi) teacher preparation initiatives that stress content mastery regarding traditional American history, free institutions, or Western civilization; and

''(B) conduct outreach activities to ensure that information about the activities funded under this part is widely disseminated—

''(i) to undergraduate students (including students enrolled in teacher education programs, if applicable);

''(ii) to graduate students (including students enrolled in teacher education programs), if applicable;

''(iii) to faculty;

''(iv) to local educational agencies; and

''(v) within the local community.

''(2) ALLOWABLE USES OF FUNDS.—Funds provided under this part may be used to support—

''(A) collaboration with entities such as—

''(i) local educational agencies, for the purpose of providing elementary, middle and secondary school teachers an opportunity to enhance their knowledge of traditional American history, free institutions, or Western civilization; and

''(ii) nonprofit organizations whose mission is consistent with the purpose of this part, such as academic organizations, museums, and libraries, for assistance in carrying out activities described under subsection (a); and

''(B) other activities that meet the purposes of this part.

''(f) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this part, there are authorized to be appropriated such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

''PART F—TEACH FOR AMERICA

''SEC. 836. TEACH FOR AMERICA.

''(a) DEFINITIONS.—

''(1) IN GENERAL.—The terms 'highly qualified', 'local educational agency', and 'Secretary' have the meanings given the terms in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

''(2) GRANTEE.—The term 'grantee' means Teach For America, Inc.

''(3) HIGH NEED.—The term 'high need', when used with respect to a local educational agency, means a local educational agency experiencing a shortage of highly qualified teachers.

''(b) GRANTS AUTHORIZED.—The Secretary is authorized to award a grant to Teach For America, Inc., the national teacher corps of outstanding recent college graduates who commit to teach for 2 years in underserved communities in the United States, to implement and expand its program of recruiting, selecting, training, and supporting new teachers.

''(c) REQUIREMENTS.—In carrying out the grant program under subsection (b), the Secretary shall enter into an agreement with the grantee under which the grantee agrees to use the grant funds provided under this section—

''(1) to provide highly qualified teachers to high need local educational agencies in urban and rural communities;

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

''(3) to serve a substantial number and percentage of underserved students.

''(d) AUTHORIZED ACTIVITIES.—

''(1) IN GENERAL.—Grant funds provided under this section shall be used by the grantee to carry out each of the following activities:

''(A) Recruiting and selecting teachers through a highly selective national process.

''(B) Providing preservice training to the teachers through a rigorous summer institute that includes hands-on teaching experience and significant exposure to education coursework and theory.

''(C) Placing the teachers in schools and positions designated by partner local educational agencies as high need placements serving underserved students.

''(D) Providing ongoing professional development activities for the teachers' first 2 years in the classroom, including regular classroom observations and feedback, and ongoing training and support.

''(2) LIMITATION.—The grantee shall use all grant funds received under this section to support activities related directly to the recruitment, selection, training, and support of teachers as described in subsection (a).

''(e) REPORTS AND EVALUATIONS.—

''(1) ANNUAL REPORT.—The grantee shall provide to the Secretary an annual report that includes—

''(A) data on the number and quality of the teachers provided to local educational agencies through a grant under this section;

''(B) an externally conducted analysis of the satisfaction of local educational agencies and principals with the teachers so provided; and

''(C) comprehensive data on the background of the teachers chosen, the training the teachers received, the placement sites of the teachers, the professional development of the teachers, and the retention of the teachers.

''(2) STUDY.—

''(A) IN GENERAL.—From funds appropriated under subsection (f), the Secretary shall provide for a study that examines the achievement levels of the students taught by the teachers assisted under this section.

''(B) ACHIEVEMENT GAINS COMPARED.—The study shall compare, within the same schools, the achievement gains made by students taught by teachers who are assisted under this section with the achievement gains made by students taught by teachers who are not assisted under this section.

''(3) REQUIREMENTS.—The Secretary shall provide for such a study not less than once every 3 years, and each such study shall include multiple placement sites and multiple schools within placement sites.

''(4) PEER REVIEW STANDARDS.—Each such study shall meet the peer review standards of the education research community.

''(f) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

''(2) LIMITATION.—The grantee shall not use more than 25 percent of Federal funds from any source for administrative costs.

''PART G—PATSY T. MINK FELLOWSHIP PROGRAM

''SEC. 841. PATSY T. MINK FELLOWSHIP PROGRAM.

''(a) PURPOSE.—

''(1) IN GENERAL.—It is the purpose of this section to provide, through eligible institutions, a program of fellowship awards to assist highly qualified minorities and women to acquire the doctoral degree, or highest possible degree available, in academic areas in which such individuals are underrepresented for the purpose of enabling such individuals to enter the higher education professoriate.

''(2) DESIGNATION.—Each recipient of a fellowship award from an eligible institution receiving a grant under this section shall be known as a 'Patsy T. Mink Graduate Fellow'.

''(b) DEFINITIONS.—In this section, the term 'eligible institution' means an institution of

higher education, or a consortium of such institutions, that offers a program of postbaccalaureate study leading to a graduate degree.

''(c) PROGRAM AUTHORIZED.—

''(1) GRANTS BY SECRETARY.—

''(A) IN GENERAL.—The Secretary shall award grants to eligible institutions to enable such institutions to make fellowship awards to individuals in accordance with the provisions of this section.

''(B) PRIORITY CONSIDERATION.—In awarding grants under this section, the Secretary shall consider the eligible institution's prior experience in producing doctoral degree, or highest possible degree available, holders who are minorities and women, and shall give priority consideration in making grants under this section to those eligible institutions with a demonstrated record of producing minorities and women who have earned such degrees.

''(2) APPLICATIONS.—

''(A) IN GENERAL.—An eligible institution that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

''(B) APPLICATIONS MADE ON BEHALF.—

''(i) IN GENERAL.—The following entities may submit an application on behalf of an eligible institution:

''(I) A graduate school or department of such institution.

''(II) A graduate school or department of such institution in collaboration with an undergraduate college or university of such institution.

''(III) An organizational unit within such institution that offers a program of postbaccalaureate study leading to a graduate degree, including an interdisciplinary or an interdepartmental program.

''(IV) A nonprofit organization with a demonstrated record of helping minorities and women earn postbaccalaureate degrees.

''(ii) NONPROFIT ORGANIZATIONS.—Nothing in this paragraph shall be construed to permit the Secretary to award a grant under this section to an entity other than an eligible institution.

''(3) SELECTION OF APPLICATIONS.—In awarding grants under subsection (a), the Secretary shall—

''(A) take into account—

''(i) the number and distribution of minority and female faculty nationally;

''(ii) the current and projected need for highly trained individuals in all areas of the higher education professoriate; and

''(iii) the present and projected need for highly trained individuals in academic career fields in which minorities and women are underrepresented in the higher education professoriate; and

''(B) consider the need to prepare a large number of minorities and women generally in academic career fields of high national priority, especially in areas in which such individuals are traditionally underrepresented in college and university faculty.

''(4) DISTRIBUTION AND AMOUNTS OF GRANTS.—

''(A) EQUITABLE DISTRIBUTION.—In awarding grants under this section, the Secretary shall, to the maximum extent feasible, ensure an equitable geographic distribution of awards and an equitable distribution among public and independent eligible institutions that apply for grants under this section and that demonstrate an ability to achieve the purpose of this section.

''(B) SPECIAL RULE.—To the maximum extent practicable, the Secretary shall use not less than 30 percent of the amount appropriated pursuant to subsection (f) to award grants to eligible institutions that—

''(i) are eligible for assistance under title III or title V; or

''(ii) have formed a consortium that includes both non-minority serving institutions and minority serving institutions.

''(C) ALLOCATION.—In awarding grants under this section, the Secretary shall allocate appropriate funds to those eligible institutions whose applications indicate an ability to significantly increase the numbers of minorities and women entering the higher education professoriate and that commit institutional resources to the attainment of the purpose of this section.

''(D) NUMBER OF FELLOWSHIP AWARDS.—An eligible institution that receives a grant under this section shall make not less than 15 fellowship awards.

''(E) REALLOTMENT.—If the Secretary determines that an eligible institution awarded a grant under this section is unable to use all of the grant funds awarded to the institution, the Secretary shall reallot, on such date during each fiscal year as the Secretary may fix, the unused funds to other eligible institutions that demonstrate that such institutions can use any reallocated grant funds to make fellowship awards to individuals under this section.

''(5) INSTITUTIONAL ALLOWANCE.—

''(A) IN GENERAL.—

''(i) NUMBER OF ALLOWANCES.—In awarding grants under this section, the Secretary shall pay to each eligible institution awarded a grant, for each individual awarded a fellowship by such institution under this section, an institutional allowance.

''(ii) AMOUNT.—Except as provided in paragraph (3), an institutional allowance shall be in an amount equal to, for academic year 2007–2008 and succeeding academic years, the amount of institutional allowance made to an institution of higher education under section 715 for such academic year.

''(B) USE OF FUNDS.—Institutional allowances may be expended in the discretion of the eligible institution and may be used to provide, except as prohibited under paragraph (4), academic support and career transition services for individuals awarded fellowships by such institution.

''(C) REDUCTION.—The institutional allowance paid under paragraph (1) shall be reduced by the amount the eligible institution charges and collects from a fellowship recipient for tuition and other expenses as part of the recipient's instructional program.

''(D) USE FOR OVERHEAD PROHIBITED.—Funds made available under this section may not be used for general operational overhead of the academic department or institution receiving funds under this section.

''(d) FELLOWSHIP RECIPIENTS.—

''(1) AUTHORIZATION.—An eligible institution that receives a grant under this section shall use the grant funds to make fellowship awards to minorities and women who are enrolled at such institution in a doctoral degree, or highest possible degree available, program and—

''(A) intend to pursue a career in instruction at—

''(i) an institution of higher education (as the term is defined in section 101);

''(ii) an institution of higher education (as the term is defined in section 102(a)(1));

''(iii) an institution of higher education outside the United States (as the term is described in section 102(a)(2)); or

''(iv) a proprietary institution of higher education (as the term is defined in section 102(b)); and

''(B) sign an agreement with the Secretary agreeing—

''(i) to begin employment at an institution described in paragraph (1) not later than 3 years after receiving the doctoral degree or highest possible degree available, which 3-year period may be extended by the Secretary for extraordinary circumstances; and

''(ii) to be employed by such institution for 1 year for each year of fellowship assistance received under this section.

''(2) FAILURE TO COMPLY.—If an individual who receives a fellowship award under this section fails to comply with the agreement signed pursuant to subsection (a)(2), then the Secretary shall do 1 or both of the following:

''(A) Require the individual to repay all or the applicable portion of the total fellowship amount awarded to the individual by converting the balance due to a loan at the interest rate applicable to loans made under part B of title IV.

''(B) Impose a fine or penalty in an amount to be determined by the Secretary.

''(3) WAIVER AND MODIFICATION.—

''(A) REGULATIONS.—The Secretary shall promulgate regulations setting forth criteria to be considered in granting a waiver for the service requirement under subsection (a)(2).

''(B) CONTENT.—The criteria under paragraph (1) shall include whether compliance with the service requirement by the fellowship recipient would be—

''(i) inequitable and represent an extraordinary hardship; or

''(ii) deemed impossible because the individual is permanently and totally disabled at the time of the waiver request.

''(4) AMOUNT OF FELLOWSHIP AWARDS.—Fellowship awards under this section shall consist of a stipend in an amount equal to the level of support provided to the National Science Foundation graduate fellows, except that such stipend shall be adjusted as necessary so as not to exceed the fellow's tuition and fees or demonstrated need (as determined by the institution of higher education where the graduate student is enrolled), whichever is greater.

''(5) ACADEMIC PROGRESS REQUIRED.—An individual student shall not be eligible to receive a fellowship award—

''(A) except during periods in which such student is enrolled, and such student is maintaining satisfactory academic progress in, and devoting essentially full time to, study or research in the pursuit of the degree for which the fellowship support was awarded; and

''(B) if the student is engaged in gainful employment, other than part-time employment in teaching, research, or similar activity determined by the eligible institution to be consistent with and supportive of the student's progress toward the appropriate degree.

''(e) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to require an eligible institution that receives a grant under this section—

''(1) to grant a preference or to differentially treat any applicant for a faculty position as a result of the institution's participation in the program under this section; or

''(2) to hire a Patsy T. Mink Fellow who completes this program and seeks employment at such institution.

''(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2008 for each of the 5 succeeding fiscal years.

"PART H—IMPROVING COLLEGE ENROLLMENT BY SECONDARY SCHOOLS

"SEC. 846. IMPROVING COLLEGE ENROLLMENT BY SECONDARY SCHOOLS.

''(a) IN GENERAL.—The Secretary shall contract with 1 nonprofit organization described in subsection (b) to enable the nonprofit organization—

''(1) to make publicly available the year-to-year higher education enrollment rate trends of secondary school students, disaggregated by secondary school, in full compliance with the Family Education Rights and Privacy Act of 1974;

''(2) to identify not less than 50 urban local educational agencies and 5 States with significant rural populations, each serving a significant population of low-income students, and to carry out a comprehensive needs assessment in the agencies and States of the factors known to contribute to improved higher education enrollment rates, which factors shall include—

''(A) an evaluation of the local educational agency's and State's leadership strategies;

''(B) the secondary school curriculum and class offerings of the local educational agency and State;

''(C) the professional development used by the local educational agency and the State to assist teachers, higher education counselors, and administrators in supporting the transition of secondary students into higher education;

''(D) secondary school student attendance and other factors demonstrated to be associated with enrollment into higher education;

''(E) the data systems used by the local educational agency and the State to measure college enrollment rates and the incentives in place to motivate the efforts of faculty and students to improve student and school-wide outcomes; and

''(F) strategies to mobilize student leaders to build a college-bound culture; and

''(3) to provide comprehensive services to improve the school-wide higher education enrollment rates of each of not less than 10 local educational agencies and States, with the federally funded portion of each project declining by not less than 20 percent each year beginning in the second year of the comprehensive services, that—

''(A) participated in the needs assessment described in paragraph (2); and

''(B) demonstrated a willingness and commitment to improving the higher education enrollment rates of the local educational agency or State, respectively.

''(b) GRANT RECIPIENT CRITERIA.—The recipient of the grant awarded under subsection (a) shall be a nonprofit organization with demonstrated expertise—

''(1) in increasing school-wide higher education enrollment rates in low-income communities nationwide by providing curriculum, training, and technical assistance to secondary school staff and student peer influencers; and

''(2) in a college transition data management system.

''(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as are necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

"PART I—PREDOMINANTLY BLACK INSTITUTIONS

"SEC. 850. PREDOMINANTLY BLACK INSTITUTIONS.

''(a) PURPOSE.—It is the purpose of this section to assist Predominantly Black Institutions in expanding educational opportunity through a program of Federal assistance.

''(b) DEFINITIONS.—In this section:

''(1) EDUCATIONAL AND GENERAL EXPENDITURES.—The term 'educational and general expenditures' has the meaning given the term in section 312.

''(2) ELIGIBLE INSTITUTION.—The term 'eligible institution' means an institution of higher education that—

''(A) has an enrollment of needy undergraduate students;

''(B) has an average educational and general expenditure which is low, per full-time equivalent undergraduate student in comparison with the average educational and general expenditure per full-time equivalent undergraduate student of institutions that offer similar instruction, except that the Secretary may apply the waiver requirements described in section 392(b) to this subparagraph in the same manner as the Secretary applies the waiver requirements to section 312(b)(1)(B);

''(C) has an enrollment of undergraduate students that is not less than 40 percent Black American students;

''(D) is legally authorized to provide, and provides within the State, an educational program for which the institution of higher education awards a baccalaureate degree, or in the case of a junior or community college, an associate's degree; and

''(E) is accredited by a nationally recognized accrediting agency or association determined by the Secretary to be a reliable authority as to the quality of training offered, or is, according to such an agency or association, making reasonable progress toward accreditation.

''(3) ENDOWMENT FUND.—The term 'endowment fund' has the meaning given the term in section 312.

''(4) ENROLLMENT OF NEEDY STUDENTS.—The term 'enrollment of needy students' means the enrollment at an eligible institution with respect to which not less than 50 percent of the undergraduate students enrolled in an academic program leading to a degree—

''(A) in the second fiscal year preceding the fiscal year for which the determination is made, were Federal Pell Grant recipients for such year;

''(B) come from families that receive benefits under a means-tested Federal benefit program;

''(C) attended a public or nonprofit private secondary school—

''(i) that is in the school district of a local educational agency that was eligible for assistance under part A of title I of the Elementary and Secondary Education Act of 1965 for any year during which the student attended such secondary school; and

''(ii) which for the purpose of this paragraph and for that year was determined by the Secretary (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which the enrollment of children counted under section 1113(a)(5) of such Act exceeds 30 percent of the total enrollment of such school; or

''(D) are first-generation college students and a majority of such first-generation college students are low-income individuals.

''(5) FIRST GENERATION COLLEGE STUDENT.—The term 'first generation college student' has the meaning given the term in section 402A(g).

''(6) LOW-INCOME INDIVIDUAL.—The term 'low-income individual' has the meaning given such term in section 402A(g).

''(7) MEANS-TESTED FEDERAL BENEFIT PROGRAM.—The term 'means-tested Federal benefit program' means a program of the Federal Government, other than a program under title IV, in which eligibility for the program's benefits, or the amount of such benefits, are determined on the basis of income or resources of the individual or family seeking the benefit.

''(8) PREDOMINANTLY BLACK INSTITUTION.—The term 'Predominantly Black Institution' means an institution of higher education, as defined in section 101(a)—

''(A) that is an eligible institution with not less than 1,000 undergraduate students;

''(B) at which not less than 50 percent of the undergraduate students enrolled at the eligible institution are low-income individuals or first generation college students; and

''(C) at which not less than 50 percent of the undergraduate students are enrolled in an educational program leading to a bachelor's or associate's degree that the eligible institution is licensed to award by the State in which the eligible institution is located.

''(9) STATE.—The term 'State' means each of the 50 States and the District of Columbia.

''(c) GRANT AUTHORITY.—

''(1) IN GENERAL.—The Secretary is authorized to award grants, from allotments under subsection (e), to Predominantly Black Institutions to enable the Predominantly Black Institutions to carry out the authorized activities described in subsection (d).

''(2) PRIORITY.—In awarding grants under this section the Secretary shall give priority to Predominantly Black Institutions with large numbers or percentages of students described in subsections (b)(2)(A) or (b)(2)(C). The level of priority given to Predominantly Black Institutions with large numbers or percentages of students described in subsection (b)(2)(A) shall be twice the level of priority given to Predominantly Black Institutions with large numbers or percentages of students described in subsection (b)(2)(C).

''(d) AUTHORIZED ACTIVITIES.—

''(1) REQUIRED ACTIVITIES.—Grant funds provided under this section shall be used—

''(A) to assist the Predominantly Black Institution to plan, develop, undertake, and implement programs to enhance the institution's capacity to serve more low- and middle-income Black American students;

''(B) to expand higher education opportunities for students eligible to participate in programs under title IV by encouraging college preparation and student persistence in secondary school and postsecondary education; and

''(C) to strengthen the financial ability of the Predominantly Black Institution to serve the academic needs of the students described in subparagraphs (A) and (B).

''(2) ADDITIONAL ACTIVITIES.—Grant funds provided under this section shall be used for 1 or more of the following activities:

''(A) The activities described in paragraphs (1) through (11) of section 311(c).

''(B) Academic instruction in disciplines in which Black Americans are underrepresented.

''(C) Establishing or enhancing a program of teacher education designed to qualify students to teach in a public elementary school or secondary school in the State that shall include, as part of such program, preparation for teacher certification or licensure.

''(D) Establishing community outreach programs that will encourage elementary school and secondary school students to develop the academic skills and the interest to pursue postsecondary education.

''(E) Other activities proposed in the application submitted pursuant to subsection (f) that—

''(i) contribute to carrying out the purpose of this section; and

''(ii) are approved by the Secretary as part of the review and approval of an application submitted under subsection (f).

''(3) ENDOWMENT FUND.—

''(A) IN GENERAL.—A Predominantly Black Institution may use not more than 20 percent of the grant funds provided under this section to establish or increase an endowment fund at the institution.

''(B) MATCHING REQUIREMENT.—In order to be eligible to use grant funds in accordance with subparagraph (A), a Predominantly Black Institution shall provide matching funds from non-Federal sources, in an amount equal to or greater than the Federal funds used in accordance with subparagraph (A), for the establishment or increase of the endowment fund.

''(C) COMPARABILITY.—The provisions of part C of title III, regarding the establishment or increase of an endowment fund, that the Secretary determines are not inconsistent with this subsection, shall apply to funds used under subparagraph (A).

''(4) LIMITATION.—Not more than 50 percent of the grant funds provided to a Predominantly Black Institution under this section may be available for the purpose of constructing or maintaining a classroom, library, laboratory, or other instructional facility.

''(e) ALLOTMENTS TO PREDOMINANTLY BLACK INSTITUTIONS.—

''(1) FEDERAL PELL GRANT BASIS.—From the amounts appropriated to carry out this section for any fiscal year, the Secretary shall allot to each Predominantly Black Institution having an application approved under subsection (f) a sum that bears the same ratio to one-half of that amount as the number of Federal Pell Grant recipients in attendance at such institution at the end of the academic year preceding the beginning of that fiscal year, bears to the total number of Federal Pell Grant recipients at all such institutions at the end of such academic year.

''(2) GRADUATES BASIS.—From the amounts appropriated to carry out this section for any fiscal year, the Secretary shall allot to each Predominantly Black Institution having an application approved under subsection (f) a sum that bears the same ratio to one-fourth of that

amount as the number of graduates for such academic year at such institution, bears to the total number of graduates for such academic year at all such institutions.

''(3) GRADUATES SEEKING A HIGHER DEGREE BASIS.—From the amounts appropriated to carry out this section for any fiscal year, the Secretary shall allot to each Predominantly Black Institution having an application approved under subsection (f) a sum that bears the same ratio to one-fourth of that amount as the percentage of graduates from such institution who are admitted to and in attendance at, not later than 2 years after graduation with an associate's degree or a baccalaureate degree, a baccalaureate degree-granting institution or a graduate or professional school in a degree program in disciplines in which Black American students are underrepresented, bears to the percentage of such graduates for all such institutions.

''(4) MINIMUM ALLOTMENT.—

''(A) IN GENERAL.—Notwithstanding paragraphs (1), (2), and (3), the amount allotted to each Predominantly Black Institution under this section shall not be less than $250,000.

''(B) INSUFFICIENT AMOUNT.—If the amount appropriated pursuant to subsection (i) for a fiscal year is not sufficient to pay the minimum allotment provided under subparagraph (A) for the fiscal year, then the amount of such minimum allotment shall be ratably reduced. If additional sums become available for such fiscal year, such reduced allotment shall be increased on the same basis as the allotment was reduced until the amount allotted equals the minimum allotment required under subparagraph (A).

''(5) REALLOTMENT.—The amount of a Predominantly Black Institution's allotment under paragraph (1), (2), (3), or (4) for any fiscal year that the Secretary determines will not be required for such institution for the period such allotment is available, shall be available for reallotment to other Predominantly Black Institutions in proportion to the original allotment to such other institutions under this section for such fiscal year. The Secretary shall reallot such amounts from time to time, on such date and during such period as the Secretary determines appropriate.

''(f) APPLICATIONS.—Each Predominantly Black Institution desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

''(g) PROHIBITION.—No Predominantly Black Institution that applies for and receives a grant under this section may apply for or receive funds under any other program under part A or part B of title III.

''(h) DURATION AND CARRYOVER.—Any grant funds paid to a Predominantly Black Institution under this section that are not expended or used for the purposes for which the funds were paid within 10 years following the date on which the grant was awarded, shall be repaid to the Treasury.

''(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2008 and each of 5 succeeding fiscal years.

"PART J—EARLY CHILDHOOD EDUCATION PROFESSIONAL DEVELOPMENT AND CAREER TASK FORCE

"SEC. 851. SHORT TITLE.

''This part may be cited as the 'Early Childhood Education Professional Development and Career Task Force Act'.

"SEC. 852. PURPOSE.

''It is the purpose of this part—

''(1) to improve the quality of the early childhood education workforce by creating a statewide early childhood education professional development and career task force for early childhood education program staff, directors, and administrators; and

''(2) to create—

''(A) a coherent system of core competencies, pathways to qualifications, credentials, degrees, quality assurances, access, and outreach, for early childhood education program staff, directors, and administrators, that is linked to compensation commensurate with experience and qualifications;

''(B) articulation agreements that enable early childhood education professionals to transition easily among degrees; and

''(C) compensation initiatives for individuals working in an early childhood education program that reflect the individuals' credentials, degrees, and experience.

"SEC. 853. DEFINITION OF EARLY CHILDHOOD EDUCATION PROGRAM.

''In this part, the term 'early childhood education program' means—

''(1) a family child care program, center-based child care program, State prekindergarten program, or school-based program, that—

''(A) provides early childhood education;

''(B) uses developmentally appropriate practices;

''(C) is licensed or regulated by the State; and

''(D) serves children from birth through age 5;

''(2) a Head Start Program carried out under the Head Start Act; or

''(3) an Early Head Start Program carried out under section 645A of the Head Start Act.

"SEC. 854. GRANTS AUTHORIZED.

''(a) IN GENERAL.—The Secretary is authorized to award grants to States in accordance with the provisions of this part to enable such States—

''(1) to establish a State Task Force described in section 855; and

''(2) to support activities of the State Task Force described in section 856.

''(b) COMPETITIVE BASIS.—Grants under this part shall be awarded on a competitive basis.

''(c) EQUITABLE GEOGRAPHIC DISTRIBUTION.—In awarding grants under this part, the Secretary shall take into consideration providing an equitable geographic distribution of such grants.

''(d) DURATION.—Grants under this part shall be awarded for a period of 5 years.

"SEC. 855. STATE TASK FORCE ESTABLISHMENT.

''(a) STATE TASK FORCE ESTABLISHED.—The Governor of a State receiving a grant under this part shall establish, or designate an existing entity to serve as, the State Early Childhood Education Professional Development and Career Task Force (hereafter in this part referred to as the 'State Task Force').

''(b) MEMBERSHIP.—The State Task Force shall include a representative of a State agency, an institution of higher education (including an associate or a baccalaureate degree granting institution of higher education), an early childhood education program, a nonprofit early childhood organization, a statewide early childhood workforce scholarship or supplemental initiative, and any other entity or individual the Governor determines appropriate.

"SEC. 856. STATE TASK FORCE ACTIVITIES.

''(a) ACTIVITIES.—The State Task Force shall—

''(1) coordinate and communicate regularly with the State Advisory Council on Early Care and Education (hereafter in this part referred to as 'State Advisory Council') or a similar State entity charged with creating a comprehensive system of early care and education in the State, for the purposes of—

''(A) integrating recommendations for early childhood professional development and career activities into the plans of the State Advisory Council; and

''(B) assisting in the implementation of professional development and career activities that are consistent with the plans described in subparagraph (A);

''(2) conduct a review of opportunities for and barriers to high quality professional development, training, and higher education degree programs, in early childhood development and learning, including a periodic statewide survey concerning the demographics of individuals working in early childhood education programs in the State, which survey shall include information disaggregated by—

''(A) race, gender, and ethnicity;

''(B) compensation levels;

''(C) type of early childhood education program setting;

''(D) specialized knowledge of child development;

''(E) years of experience in an early childhood education program; and

''(F) attainment of—

''(i) academic credit for coursework;

''(ii) an academic degree;

''(iii) a credential;

''(iv) licensure; or

''(v) certification in early childhood education; and

''(3) develop a plan for a comprehensive statewide professional development and career system for individuals working in early childhood education programs or for early childhood education providers, which plan shall include—

''(A) methods of providing outreach to early childhood education program staff, directors, and administrators, including methods for how outreach is provided to non-English speaking providers, in order to enable the providers to be aware of opportunities and resources under the statewide plan;

''(B) developing a unified data collection and dissemination system for early childhood education training, professional development, and higher education programs;

''(C) increasing the participation of early childhood educators in high quality training and professional development by assisting in paying the costs of enrollment in and completion of such training and professional development courses;

''(D) increasing the participation of early childhood educators in postsecondary education programs leading to degrees in early childhood education by providing assistance to pay the costs of enrollment in and completion of such postsecondary education programs, which assistance—

''(i) shall only be provided to an individual who—

''(I) enters into an agreement under which the individual agrees to work, for a reasonable number of years after receiving such a degree, in an early childhood education program that is located in a low-income area; and

''(II) has a family income equal to or less than the annually adjusted national median family income as determined by the Bureau of the Census; and

''(ii) shall be provided in an amount that does not exceed $17,500;

''(E) supporting professional development activities and a career lattice for a variety of early childhood professional roles with varying professional qualifications and responsibilities for early childhood education personnel, including strategies to enhance the compensation of such personnel;

''(F) supporting articulation agreements between 2- and 4-year public and private institutions of higher education and mechanisms to transform other training, professional development, and experience into academic credit;

''(G) developing mentoring and coaching programs to support new educators in and directors of early childhood education programs;

''(H) providing career development advising with respect to the field of early childhood education, including informing an individual regarding—

''(i) entry into and continuing education requirements for professional roles in the field;

''(ii) available financial assistance; and

''(iii) professional development and career advancement in the field;

''(I) enhancing the quality of faculty and coursework in postsecondary programs that lead to an associate, baccalaureate, or graduate degree in early childhood education;

''(J) consideration of the availability of online graduate level professional development offered by institutions of higher education with experience and demonstrated expertise in establishing programs in child development, in order to improve the skills and expertise of individuals working in early childhood education programs; and

''(K) developing or enhancing a system of quality assurance with respect to the early childhood education professional development and career system, including standards or qualifications for individuals and entities who offer training and professional development in early childhood education.

''(b) PUBLIC HEARINGS.—The State Task Force shall hold public hearings and provide an opportunity for public comment on the activities described in the statewide plan described in subsection (a)(3).

''(c) PERIODIC REVIEW.—The State Task Force shall meet periodically to review implementation of the statewide plan and to recommend any changes to the statewide plan the State Task Force determines necessary.

''SEC. 857. STATE APPLICATION AND REPORT.

''(a) IN GENERAL.—Each State desiring a grant under this part shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require. Each such application shall include a description of—

''(1) the membership of the State Task Force;

''(2) the activities for which the grant assistance will be used;

''(3) other Federal, State, local, and private resources that will be available to support the activities of the State Task Force described in section 856;

''(4) the availability within the State of training, early childhood educator preparation, professional development, compensation initiatives, and career systems, related to early childhood education; and

''(5) the resources available within the State for such training, educator preparation, professional development, compensation initiatives, and career systems.

''(b) REPORT TO THE SECRETARY.—Not later than 2 years after receiving a grant under this part, a State shall submit a report to the Secretary that shall describe—

''(1) other Federal, State, local, and private resources that will be used in combination with a grant under this section to develop or expand the State's early childhood education professional development and career activities;

''(2) the ways in which the State Advisory Council (or similar State entity) will coordinate the various State and local activities that support the early childhood education professional development and career system; and

''(3) the ways in which the State Task Force will use funds provided under this part and carry out the activities described in section 856.

''SEC. 858. EVALUATIONS.

''(a) STATE EVALUATION.—Each State receiving a grant under this part shall—

''(1) evaluate the activities that are assisted under this part in order to determine—

''(A) the effectiveness of the activities in achieving State goals;

''(B) the impact of a career lattice for individuals working in early childhood education programs;

''(C) the impact of the activities on licensing or regulating requirements for individuals in the field of early childhood development;

''(D) the impact of the activities, and the impact of the statewide plan described in section 856(a)(3), on the quality of education, professional development, and training related to early childhood education programs that are offered in the State;

''(E) the change in compensation and retention of individuals working in early childhood education programs within the State resulting from the activities; and

''(F) the impact of the activities on the demographic characteristics of individuals working in early childhood education programs; and

''(2) submit a report at the end of the grant period to the Secretary regarding the evaluation described in paragraph (1).

''(b) SECRETARY'S EVALUATION.—Not later than September 30, 2013, the Secretary, in consultation with the Secretary of Health and Human Services, shall prepare and submit to the authorizing committees an evaluation of the State reports submitted under subsection (a)(2).

''SEC. 859. AUTHORIZATION OF APPROPRIATIONS.

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

''PART K—IMPROVING SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS EDUCATION WITH A FOCUS ON ALASKA NATIVE AND NATIVE HAWAIIAN STUDENTS

''SEC. 861. IMPROVING SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS EDUCATION WITH A FOCUS ON ALASKA NATIVE AND NATIVE HAWAIIAN STUDENTS.

''(a) PURPOSE.—The purpose of this section is—

''(1) to develop or expand programs for the development of professionals in the fields of science, technology, engineering, and mathematics; and

''(2) to focus resources on meeting the educational and cultural needs of Alaska Natives and Native Hawaiians.

''(b) DEFINITIONS.—In this section:

''(1) ALASKA NATIVE.—The term 'Alaska Native' has the meaning given the term 'Native' in section 3(b) of the Alaska Natives Claims Settlement Act (43 U.S.C. 1602(b)).

''(2) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 101(a).

''(3) ELIGIBLE PARTNERSHIP.—The term 'eligible partnership' means a partnership that includes—

''(A) 1 or more colleges or schools of engineering;

''(B) 1 or more colleges of science, engineering, or mathematics;

''(C) 1 or more institutions of higher education that offer 2-year degrees; and

''(D) 1 or more private entities that—

''(i) conduct career awareness activities showcasing local technology professionals;

''(ii) encourage students to pursue education in science, technology, engineering, and mathematics from elementary school through college, and careers in those fields, with the assistance of local technology professionals;

''(iii) develop internships, apprenticeships, and mentoring programs in partnership with relevant industries; and

''(iv) assist with placement of interns and apprentices.

''(4) NATIVE HAWAIIAN.—The term 'Native Hawaiian' has the meaning given the term in section 7207 of the Elementary and Secondary Education Act of 1965.

''(c) GRANT AUTHORIZED.—The Secretary is authorized to award a grant to an eligible partnership to enable the eligible partnership to expand programs for the development of science, technology, engineering, or mathematics professionals, from elementary school through college, including existing programs for Alaska Native and Native Hawaiian students.

''(d) USES OF FUNDS.—Grant funds under this section shall be used for 1 or more of the following:

''(1) Development or implementation of cultural, social, or educational transition programs to assist students to transition into college life and academics in order to increase such students' retention rates in the fields of science, technology, engineering, or mathematics, with a focus on Alaska Native or Native Hawaiian students.

''(2) Development or implementation of academic support or supplemental educational programs to increase the graduation rates of students in the fields of science, technology, engineering, or mathematics, with a focus on Alaska Native and Native Hawaiian students.

''(3) Development or implementation of internship programs, carried out in coordination with educational institutions and private entities, to prepare students for careers in the fields of science, technology, engineering, or mathematics, with a focus on programs that serve Alaska Native or Native Hawaiian students.

''(4) Such other activities that are consistent with the purposes of this section.

''(e) APPLICATION.—Each eligible partnership that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

''(f) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to an eligible partnership that provides 1 or more programs in which 30 percent or more of the program participants are Alaska Native or Native Hawaiian.

''(g) PERIOD OF GRANT.—A grant under this section shall be awarded for a period of 5 years.

''(h) EVALUATION AND REPORT.—Each eligible partnership that receives a grant under this section shall conduct an evaluation to determine the effectiveness of the programs funded under the grant and shall provide a report regarding the evaluation to the Secretary not later than 6 months after the end of the grant period.

''(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

''PART L—PILOT PROGRAM TO INCREASE PERSISTENCE IN COMMUNITY COLLEGES

''SEC. 865. PILOT PROGRAM TO INCREASE PERSISTENCE IN COMMUNITY COLLEGES.

''(a) DEFINITIONS.—In this section:

''(1) INSTITUTION OF HIGHER EDUCATION.—Except as otherwise provided in this section, the term 'institution of higher education' means an institution of higher education, as defined in section 101, that provides a 1- or 2-year program of study leading to a degree or certificate.

''(2) ELIGIBLE STUDENT.—The term 'eligible student' means a student who—

''(A) meets the requirements of section 484(a);

''(B) is enrolled at least half time;

''(C) is not younger than age 19 and not older than age 33;

''(D) is the parent of at least 1 dependent child, which dependent child is age 18 or younger;

''(E) has a family income below 200 percent of the poverty line;

''(F) has a secondary school diploma or its recognized equivalent, and earned a passing score on a college entrance examination; and

''(G) does not have a degree or occupational certificate from an institution of higher education, as defined in section 101 or 102(a).

''(b) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants, on a competitive basis, to institutions of higher education to enable the institutions of higher education to provide additional monetary and nonmonetary support to eligible students to enable the eligible students to maintain enrollment and complete degree or certificate programs.

''(c) USES OF FUNDS.—

''(1) REQUIRED USES.—Each institution of higher education receiving a grant under this section shall use the grant funds—

''(A) to provide scholarships in accordance with subsection (d); and

''(B) to provide counseling services in accordance with subsection (e).

''(2) ALLOWABLE USES OF FUNDS.—Grant funds provided under this section may be used—

''(A) to conduct outreach to make students aware of the scholarships and counseling services available under this section and to encourage the students to participate in the program assisted under this section;

''(B) to provide gifts of $20 or less, such as a store gift card, to applicants who complete the process of applying for assistance under this section, as an incentive and as compensation for the student's time; and

''(C) to evaluate the success of the program.

''(d) SCHOLARSHIP REQUIREMENTS.—

''(1) IN GENERAL.—Each scholarship awarded under this section shall—

''(A) be awarded for 1 academic year;

''(B) be awarded in the amount of $1,000 for each of 2 semesters (prorated for quarters), or $2,000 for an academic year;

''(C) require the student to maintain during the scholarship period at least half-time enrollment and a 2.0 or C grade point average; and

''(D) be paid in increments of—

''(i) $250 upon enrollment (prorated for quarters);

''(ii) $250 upon passing midterm examinations (prorated for quarters); and

''(iii) $500 upon passing courses (prorated for quarters).

''(2) NUMBER.—An institution may award an eligible student not more than 2 scholarships under this section.

''(e) COUNSELING SERVICES.—

''(1) IN GENERAL.—Each institution of higher education receiving a grant under this section shall use the grant funds to provide students at the institution with a counseling staff dedicated to students participating in the program under this section. Each such counselor shall—

''(A) have a caseload of less than 125 students;

''(B) use a proactive, team-oriented approach to counseling;

''(C) hold a minimum of 2 meetings with students each semester; and

''(D) provide referrals to and follow-up with other student services staff, including financial and career services.

''(2) COUNSELING SERVICES AVAILABILITY.—The counseling services provided under this section shall be available to participating students during the daytime and evening hours.

''(f) APPLICATION.—An institution of higher education that desires to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

''(1) the number of students to be served under this section;

''(2) a description of the scholarships and counseling services that will be provided under this section; and

''(3) a description of how the program under this section will be evaluated.

''(g) PERIOD OF GRANT.—The Secretary may award a grant under this section for a period of 5 years.

''(h) EVALUATION.—

''(1) IN GENERAL.—Each institution of higher education receiving a grant under this section shall conduct an annual evaluation of the impact of the grant and shall provide the evaluation to the Secretary. The Secretary shall disseminate to the public the findings, information on best practices, and lessons learned, with respect to the evaluations.

''(2) RANDOM ASSIGNMENT RESEARCH DESIGN.—The evaluation shall be conducted using a random assignment research design with the following requirements:

''(A) When students are recruited for the program, all students will be told about the program and the evaluation.

''(B) Baseline data will be collected from all applicants for assistance under this section.

''(C) Students will be assigned randomly to 2 groups, which will consist of—

''(i) a program group that will receive the scholarship and the additional counseling services; and

''(ii) a control group that will receive whatever regular financial aid and counseling services are available to all students at the institution of higher education.

''(3) PREVIOUS COHORTS.—In conducting the evaluation for the second and third years of the program, each institution of higher education shall include information on previous cohorts of students as well as students in the current program year.

''(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

''PART M—STUDENT SAFETY AND CAMPUS EMERGENCY MANAGEMENT

''SEC. 871. STUDENT SAFETY AND CAMPUS EMERGENCY MANAGEMENT.

''(a) GRANTS AUTHORIZED.—

''(1) IN GENERAL.—The Secretary is authorized to award grants, on a competitive basis, to institutions of higher education or consortia of institutions of higher education to enable institutions of higher education or consortia to pay the Federal share of the cost of carrying out the authorized activities described in subsection (c).

''(2) CONSULTATION WITH THE ATTORNEY GENERAL AND THE SECRETARY OF HOMELAND SECURITY.—Where appropriate, the Secretary shall award grants under this section in consultation with the Attorney General of the United States and the Secretary of Homeland Security.

''(3) DURATION.—The Secretary shall award each grant under this section for a period of 2 years.

''(4) LIMITATION ON INSTITUTIONS AND CONSORTIA.—An institution of higher education or consortium shall be eligible for only 1 grant under this section.

''(b) FEDERAL SHARE; NON-FEDERAL SHARE.—

''(1) IN GENERAL.—The Federal share shall be 50 percent.

''(2) NON-FEDERAL SHARE.—The institution of higher education or consortium shall provide the non-Federal share, which may be provided from other Federal, State, and local resources dedicated to emergency preparedness and response.

''(c) AUTHORIZED ACTIVITIES.—Each institution of higher education or consortium receiving a grant under this section may use the grant funds to carry out 1 or more of the following:

''(1) Developing and implementing a state-of-the-art emergency communications system for each campus of an institution of higher education or consortium, in order to contact students via cellular, text message, or other state-of-the-art communications methods when a significant emergency or dangerous situation occurs. An institution or consortium using grant funds to carry out this paragraph shall also, in coordination with the appropriate State and local emergency management authorities—

''(A) develop procedures that students, employees, and others on a campus of an institution of higher education or consortium will be directed to follow in the event of a significant emergency or dangerous situation; and

''(B) develop procedures the institution of higher education or consortium shall follow to inform, within a reasonable and timely manner, students, employees, and others on a campus in the event of a significant emergency or dangerous situation, which procedures shall include the emergency communications system described in this paragraph.

''(2) Supporting measures to improve safety at the institution of higher education or consortium, such as—

''(A) security assessments;

''(B) security training of personnel and students at the institution of higher education or consortium;

''(C) where appropriate, coordination of campus preparedness and response efforts with local law enforcement, local emergency management authorities, and other agencies, to improve coordinated responses in emergencies among such entities; and

''(D) establishing a hotline that allows a student or staff member at an institution or consortium to report another student or staff member at the institution or consortium who the reporting student or staff member believes may be a danger to the reported student or staff member or to others.

''(3) Coordinating with appropriate local entities the provision of, mental health services for students enrolled in the institution of higher education or consortium, including mental health crisis response and intervention services, to individuals affected by a campus or community emergency.

''(d) APPLICATION.—Each institution of higher education or consortium desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

''(e) TECHNICAL ASSISTANCE.—The Secretary shall coordinate technical assistance provided by State and local emergency management agencies, the Department of Homeland Security, and other agencies as appropriate, to institutions of higher education or consortia that request assistance in developing and implementing the activities assisted under this section.

''(f) RULE OF CONSTRUCTION.—Nothing in this section shall be construed—

''(1) to provide a private right of action to any person to enforce any provision of this section;

''(2) to create a cause of action against any institution of higher education or any employee of the institution for any civil liability; or

''(3) to affect the Family Educational Rights and Privacy Act of 1974 or the regulations issued under section 264 of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d–2 note).

''(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2008 and each of the 5 succeeding fiscal years.

''SEC. 872. MODEL EMERGENCY RESPONSE POLICIES, PROCEDURES, AND PRACTICES.

''The Secretary of Education, the Attorney General of the United States, and the Secretary of Homeland Security shall jointly have the authority—

''(1) to advise institutions of higher education on model emergency response policies, procedures, and practices; and

''(2) to disseminate information concerning those policies, procedures, and practices.''.

TITLE IX—AMENDMENTS TO OTHER LAWS

PART A—EDUCATION OF THE DEAF ACT OF 1986

SEC. 901. LAURENT CLERC NATIONAL DEAF EDUCATION CENTER.

Section 104 of the Education of the Deaf Act of 1986 (20 U.S.C. 4304) is amended—

(1) by striking the section heading and inserting ''**laurent clerc national deaf education center**'';

(2) in subsection (a)(1)(A), by inserting ''the Laurent Clerc National Deaf Education Center (referred to in this section as the 'Clerc Center') to carry out'' after ''maintain and operate''; and

(3) in subsection (b)—

(A) in the matter preceding subparagraph (A) of paragraph (1), by striking ''elementary and secondary education programs'' and inserting ''Clerc Center'';

(B) in paragraph (2), by striking ''elementary and secondary education programs'' and inserting ''Clerc Center''; and

(C) by adding at the end the following:

''(5) The University, for purposes of the elementary and secondary education programs carried out at the Clerc Center, shall—

''(A)(i) select challenging academic content standards, challenging student academic achievement standards, and academic assessments of a State, adopted and implemented, as appropriate, pursuant to paragraphs (1) and (3) of section 1111(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(1) and (3)) and approved by the Secretary; and

''(ii) implement such standards and assessments for such programs by not later than the beginning of the 2009–2010 academic year;

''(B) annually determine whether such programs at the Clerc Center are making adequate yearly progress, as determined according to the definition of adequate yearly progress defined (pursuant to section 1111(b)(2)(C) of such Act (20 U.S.C. 6311(b)(2)(C))) by the State that has adopted and implemented the standards and assessments selected under subparagraph (A)(i); and

''(C) publicly report the results of the academic assessments implemented under subparagraph (A) and whether the programs at the Clerc Center are making adequate yearly progress, as determined under subparagraph (B).''.

SEC. 902. AGREEMENT WITH GALLAUDET UNIVERSITY.

Section 105(b)(4) of the Education of the Deaf Act of 1986 (20 U.S.C. 4305(b)(4)) is amended—

(1) by striking ''the Act of March 3, 1931 (40 U.S.C. 276a–276a–5) commonly referred to as the Davis-Bacon Act'' and inserting ''subchapter IV of chapter 31 of title 40, United States Code, commonly referred to as the Davis-Bacon Act''; and

(2) by striking ''section 2 of the Act of June 13, 1934 (40 U.S.C. 276c)'' and inserting ''section 3145 of title 40, United States Code''.

SEC. 903. AGREEMENT FOR THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.

Section 112 of the Education of the Deaf Act of 1986 (20 U.S.C. 4332) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) in the first sentence—

(I) by striking ''an institution of higher education'' and inserting ''the Rochester Institute of Technology, Rochester, New York''; and

(II) by striking ''of a'' and inserting ''of the''; and

(ii) by striking the second sentence;

(B) by redesignating paragraph (2) as paragraph (3); and

(C) by inserting after paragraph (1) the following:

''(2) Notwithstanding the requirement under paragraph (1), if the Secretary or the Rochester Institute of Technology terminates the agreement under paragraph (1), the Secretary shall consider proposals from other institutions of higher education and enter into an agreement with 1 of such institutions for the establishment and operation of a National Technical Institution for the Deaf.''; and

(2) in subsection (b)—

(A) in paragraph (3), by striking ''Committee on Labor and Human Resources of the Senate'' and inserting ''Committee on Health, Education, Labor, and Pensions of the Senate''; and

(B) in paragraph (5)—

(i) by striking ''the Act of March 3, 1931 (40 U.S.C. 276a–276a–5) commonly referred to as the Davis-Bacon Act'' and inserting ''subchapter IV of chapter 31 of title 40, United States Code, commonly referred to as the Davis-Bacon Act''; and

(ii) by striking ''section 2 of the Act of June 13, 1934 (40 U.S.C. 276c)'' and inserting ''section 3145 of title 40, United States Code''.

SEC. 904. CULTURAL EXPERIENCES GRANTS.

(a) CULTURAL EXPERIENCES GRANTS.—Title I of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.) is amended by adding at the end the following:

''PART C—OTHER PROGRAMS

''SEC. 121. CULTURAL EXPERIENCES GRANTS.

''(a) IN GENERAL.—The Secretary shall, on a competitive basis, make grants to, and enter into contracts and cooperative agreements with, eligible entities to support the activities described in subsection (b).

''(b) ACTIVITIES.—In carrying out this section, the Secretary shall support activities providing cultural experiences, through appropriate nonprofit organizations with a demonstrated proficiency in providing such activities, that—

''(1) enrich the lives of deaf and hard-of-hearing children and adults;

''(2) increase public awareness and understanding of deafness and of the artistic and intellectual achievements of deaf and hard-of-hearing persons; or

''(3) promote the integration of hearing, deaf, and hard-of-hearing persons through shared cultural, educational, and social experiences.

''(c) APPLICATIONS.—An eligible entity that desires to receive a grant, or enter into a contract or cooperative agreement, under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

''(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2007 and each of the 5 succeeding fiscal years.''.

(b) CONFORMING AMENDMENT.—The title heading of title I of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.) is amended by adding at the end ''; OTHER PROGRAMS''.

SEC. 905. AUDIT.

Section 203 of the Education of the Deaf Act of 1986 (20 U.S.C. 4353) is amended—

(1) in subsection (b)—

(A) in paragraph (2), by striking ''sections'' and all that follows through the period and inserting ''sections 102(b), 105(b)(4), 112(b)(5), 203(c), 207(b)(2), subsections (c) through (f) of section 207, and subsections (b) and (c) of section 209.''; and

(B) in paragraph (3), by inserting ''and the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate'' after ''Secretary''; and

(2) in subsection (c)(2)(A), by striking ''Committee on Labor and Human Resources of the Senate'' and inserting ''Committee on Health, Education, Labor, and Pensions of the Senate''.

SEC. 906. REPORTS.

Section 204 of the Education of the Deaf Act of 1986 (20 U.S.C. 4354) is amended—

(1) in the matter preceding paragraph (1), by striking ''Committee on Labor and Human Resources of the Senate'' and inserting ''Committee on Health, Education, Labor, and Pensions of the Senate'';

(2) in paragraph (1), by striking ''preparatory,'';

(3) in paragraph (2)(C), by striking ''upon graduation/completion'' and inserting ''on the date that is 1 year after the date of graduation or completion''; and

(4) in paragraph (3)(B), by striking ''of the institution of higher education'' and all that follows through the period and inserting ''of NTID programs and activities.''.

SEC. 907. MONITORING, EVALUATION, AND REPORTING.

Section 205 of the Education of the Deaf Act of 1986 (20 U.S.C. 4355) is amended—

(1) in subsection (b), by striking ''The Secretary, as part of the annual report required under section 426 of the Department of Education Organization Act, shall include a description of'' and inserting ''The Secretary shall annually transmit information to Congress on''; and

(2) in subsection (c), by striking ''fiscal years 1998 through 2003'' and inserting ''fiscal years 2008 through 2013''.

SEC. 908. LIAISON FOR EDUCATIONAL PROGRAMS.

Section 206(a) of the Education of the Deaf Act of 1986 (20 U.S.C. 4356(a)) is amended by striking ''Not later than 30 days after the date of enactment of this Act, the'' and inserting ''The''.

SEC. 909. FEDERAL ENDOWMENT PROGRAMS FOR GALLAUDET UNIVERSITY AND THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.

Section 207(h) of the Education of the Deaf Act of 1986 (20 U.S.C. 4357(h)) is amended by striking ''fiscal years 1998 through 2003'' each place it appears and inserting ''fiscal years 2008 through 2013''.

SEC. 910. OVERSIGHT AND EFFECT OF AGREEMENTS.

Section 208(a) of the Education of the Deaf Act of 1986 (20 U.S.C. 4359(a)) is amended by striking ''Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives'' and inserting ''Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate''.

SEC. 911. INTERNATIONAL STUDENTS.

Section 209 of the Education of the Deaf Act of 1986 (20 U.S.C. 4359a) is amended—

(1) in subsection (a)—

(A) by striking ''preparatory, undergraduate,'' and inserting ''undergraduate'';

(B) by striking ''Effective with'' and inserting the following:

''(1) IN GENERAL.—Except as provided in paragraph (2), effective with''; and

(C) by adding at the end the following:

''(2) DISTANCE LEARNING.—International students who participate in distance learning courses that are at NTID or the University and who are residing outside of the United States shall—

''(A) not be counted as international students for purposes of the cap on international students under paragraph (1), except that in any school year no United States citizen who applies to participate in distance learning courses that are at the University or NTID shall be denied participation in such courses because of the participation of an international student in such courses; and

''(B) not be charged a tuition surcharge, as described in subsection (b).''; and

(2) by striking subsections (b), (c), and (d), and inserting the following:

''(b) TUITION SURCHARGE.—Except as provided in subsections (a)(2)(B) and (c), the tuition for postsecondary international students enrolled in the University (including undergraduate and graduate students) or NTID shall include, for academic year 2008–2009 and any succeeding academic year, a surcharge of—

''(1) 100 percent for a postsecondary international student from a non-developing country; and

''(2) 50 percent for a postsecondary international student from a developing country.

''(c) REDUCTION OF SURCHARGE.—

''(1) IN GENERAL.—Beginning with the academic year 2008–2009, the University or NTID may reduce the surcharge—

''(A) under subsection (b)(1) from 100 percent to not less than 50 percent if—

''(i) a student described under subsection (b)(1) demonstrates need; and

''(ii) such student has made a good faith effort to secure aid through such student's government or other sources; and

''(B) under subsection (b)(2) from 50 percent to not less than 25 percent if—

''(i) a student described under subsection (b)(2) demonstrates need; and

''(ii) such student has made a good faith effort to secure aid through such student's government or other sources.

''(2) DEVELOPMENT OF SLIDING SCALE.—The University and NTID shall develop a sliding scale model that—

''(A) will be used to determine the amount of a tuition surcharge reduction pursuant to paragraph (1); and

''(B) shall be approved by the Secretary.

''(d) DEFINITION.—In this section, the term 'developing country' means a country with a per-capita income of not more than $4,825, measured in 1999 United States dollars, as adjusted by the Secretary to reflect inflation since 1999.''.

SEC. 912. RESEARCH PRIORITIES.

Section 210(b) of the Education of the Deaf Act of 1986 (20 U.S.C. 4359b(b)) is amended by striking ''Committee on Education and the Workforce of the House of Representatives, and the Committee on Labor and Human Resources of the Senate'' and inserting ''Committee on Education and Labor of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions of the Senate''.

SEC. 913. AUTHORIZATION OF APPROPRIATIONS.

Section 212 of the Education of the Deaf Act of 1986 (20 U.S.C. 4360a) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by striking ''fiscal years 1998 through 2003'' and inserting ''fiscal years 2008 through 2013''; and

(2) in subsection (b), by striking ''fiscal years 1998 through 2003'' and inserting ''fiscal years 2008 through 2013''.

PART B—UNITED STATES INSTITUTE OF PEACE ACT

SEC. 921. UNITED STATES INSTITUTE OF PEACE ACT.

(a) POWERS AND DUTIES.—Section 1705(b)(3) of the United States Institute of Peace Act (22 U.S.C. 4604(b)(3)) is amended by striking ''the Arms Control and Disarmament Agency,''.

(b) BOARD OF DIRECTORS.—Section 1706 of the United States Institute of Peace Act (22 U.S.C. 4605) is amended—

(1) by striking ''(b)(5)'' each place the term appears and inserting ''(b)(4)''; and

(2) in subsection (e), by adding at the end the following:

''(5) The term of a member of the Board shall not commence until the member is confirmed by the Senate and sworn in as a member of the Board.''.

(c) FUNDING.—Section 1710 of the United States Institute of Peace Act (22 U.S.C. 4609) is amended—

(1) by striking ''to be appropriated'' and all that follows through the period at the end and inserting ''to be appropriated such sums as may be necessary for fiscal years 2008 through 2013.''; and

(2) by adding at the end the following:

''(d) EXTENSION.—Any authorization of appropriations made for the purposes of carrying out this title shall be extended in the same manner as applicable programs are extended under section 422 of the General Education Provisions Act.''.

PART C—THE HIGHER EDUCATION AMENDMENTS OF 1998

SEC. 931. REPEALS.

The following provisions of title VIII of the Higher Education Amendments of 1998 (Public Law 105–244) are repealed:

(1) Part A.

(2) Part C (20 U.S.C. 1070 note).

(3) Part F (20 U.S.C. 1862 note).

(4) Part J.

(5) Section 861.

(6) Section 863.

SEC. 932. GRANTS TO STATES FOR WORKPLACE AND COMMUNITY TRANSITION TRAINING FOR INCARCERATED YOUTH OFFENDERS.

Section 821 of the Higher Education Amendments of 1998 (20 U.S.C. 1151) is amended to read as follows:

''SEC. 821. GRANTS TO STATES FOR IMPROVED WORKPLACE AND COMMUNITY TRANSITION TRAINING FOR INCARCERATED YOUTH OFFENDERS.

''(a) DEFINITION.—In this section, the term 'youth offender' means a male or female offender under the age of 35, who is incarcerated in a State prison, including a prerelease facility.

''(b) GRANT PROGRAM.—The Secretary of Education (in this section referred to as the 'Secretary')—

''(1) shall establish a program in accordance with this section to provide grants to the State correctional education agencies in the States, from allocations for the States under subsection (h), to assist and encourage youth offenders to acquire functional literacy, life, and job skills, through—

''(A) the pursuit of a postsecondary education certificate, or an associate or bachelor's degree while in prison; and

''(B) employment counseling and other related services which start during incarceration and end not later than 1 year after release from confinement; and

''(2) may establish such performance objectives and reporting requirements for State correctional education agencies receiving grants under this section as the Secretary determines are necessary to assess the effectiveness of the program under this section.

''(c) APPLICATION.—To be eligible for a grant under this section, a State correctional education agency shall submit to the Secretary a proposal for a youth offender program that—

''(1) identifies the scope of the problem, including the number of youth offenders in need of postsecondary education and vocational training;

''(2) lists the accredited public or private educational institution or institutions that will provide postsecondary educational services;

''(3) lists the cooperating agencies, public and private, or businesses that will provide related services, such as counseling in the areas of career development, substance abuse, health, and parenting skills;

''(4) describes specific performance objectives and evaluation methods (in addition to, and consistent with, any objectives established by the Secretary under subsection (b)(2)) that the State correctional education agency will use in carrying out its proposal, including—

''(A) specific and quantified student outcome measures that are referenced to outcomes for non-program participants with similar demographic characteristics; and

''(B) measures, consistent with the data elements and definitions described in subsection (d)(1)(A), of—

''(i) program completion, including an explicit definition of what constitutes a program completion within the proposal;

''(ii) knowledge and skill attainment, including specification of instruments that will measure knowledge and skill attainment;

''(iii) attainment of employment both prior to and subsequent to release;

''(iv) success in employment indicated by job retention and advancement; and

''(v) recidivism, including such subindicators as time before subsequent offense and severity of offense;

''(5) describes how the proposed programs are to be integrated with existing State correctional education programs (such as adult education, graduate education degree programs, and vocational training) and State industry programs;

''(6) describes how the proposed programs will have considered or will utilize technology to deliver the services under this section; and

''(7) describes how students will be selected so that only youth offenders eligible under subsection (e) will be enrolled in postsecondary programs.

''(d) PROGRAM REQUIREMENTS.—Each State correctional education agency receiving a grant under this section shall—

''(1) annually report to the Secretary regarding—

''(A) the results of the evaluations conducted using data elements and definitions provided by the Secretary for the use of State correctional education programs;

''(B) any objectives or requirements established by the Secretary pursuant to subsection (b)(2); and

''(C) the additional performance objectives and evaluation methods contained in the proposal described in subsection (c)(4) as necessary to document the attainment of project performance objectives; and

''(2) provide to each State for each student eligible under subsection (e) not more than—

''(A) $3,000 annually for tuition, books, and essential materials; and

''(B) $300 annually for related services such as career development, substance abuse counseling, parenting skills training, and health education.

''(e) STUDENT ELIGIBILITY.—A youth offender shall be eligible for participation in a program receiving a grant under this section if the youth offender—

''(1) is eligible to be released within 5 years (including a youth offender who is eligible for parole within such time);

''(2) is 35 years of age or younger; and

''(3) has not been convicted of—

''(A) a 'criminal offense against a victim who is a minor' or a 'sexually violent offense', as such terms are defined in the Jacob Wetterling Crimes Against Children and Sexually Violent Offender Registration Act (42 U.S.C. 14071 et seq.); or

''(B) murder, as described in section 1111 of title 18, United States Code.

''(f) LENGTH OF PARTICIPATION.—A State correctional education agency receiving a grant under this section shall provide educational and related services to each participating youth offender for a period not to exceed 5 years, 1 year of which may be devoted to study in a graduate education degree program or to remedial education services for students who have obtained a secondary school diploma or its recognized equivalent. Educational and related services shall start during the period of incarceration in prison or prerelease, and the related services may continue for not more than 1 year after release from confinement.

''(g) EDUCATION DELIVERY SYSTEMS.—State correctional education agencies and cooperating institutions shall, to the extent practicable, use high-tech applications in developing programs to meet the requirements and goals of this section.

''(h) ALLOCATION OF FUNDS.—From the funds appropriated pursuant to subsection (i) for each fiscal year, the Secretary shall allot to each State an amount that bears the same relationship to such funds as the total number of students eligible under subsection (e) in such State bears to the total number of such students in all States.

''(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal years 2008 through 2013.''.

SEC. 933. UNDERGROUND RAILROAD EDUCATIONAL AND CULTURAL PROGRAM.

Section 841(c) of the Higher Education Amendments of 1998 (20 U.S.C. 1153(c)) is amended by striking ''this section'' and all that follows through the period at the end and inserting ''this section such sums as may be necessary for fiscal years 2008 through 2013.''.

SEC. 934. OLYMPIC SCHOLARSHIPS UNDER THE HIGHER EDUCATION AMENDMENTS OF 1992.

Section 1543(d) of the Higher Education Amendments of 1992 (20 U.S.C. 1070 note) is amended by striking ''to be appropriated'' and all that follows through the period at the end and inserting ''to be appropriated such sums as may be necessary for fiscal years 2008 through 2013.''.

PART D—INDIAN EDUCATION

Subpart 1—Tribal Colleges and Universities

SEC. 941. REAUTHORIZATION OF THE TRIBALLY CONTROLLED COLLEGE OR UNIVERSITY ASSISTANCE ACT OF 1978.

(a) CLARIFICATION OF THE DEFINITION OF NATIONAL INDIAN ORGANIZATION.—Section 2(a)(6) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(a)(6)) is amended by striking ''in the field of Indian education'' and inserting ''in the fields of tribally controlled colleges and universities and Indian higher education''.

(b) INDIAN STUDENT COUNT.—Section 2(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(a)) is amended—

(1) by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively; and

(2) by inserting after paragraph (6) the following:

''(7) 'Indian student' means a student who is—

''(A) a member of an Indian tribe; or

''(B) a biological child of a member of an Indian tribe, living or deceased;''.

(c) CONTINUING EDUCATION.—Section 2(b) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(b)) is amended—

(1) in the matter preceding paragraph (1), by striking ''paragraph (7) of subsection (a)'' and inserting ''subsection (a)(8)'';

(2) by striking paragraph (5) and inserting the following:

''(5) DETERMINATION OF CREDITS.—Eligible credits earned in a continuing education program—

''(A) shall be determined as 1 credit for every 10 contact hours in the case of an institution on a quarter system, or 15 contact hours in the case of an institution on a semester system, of participation in an organized continuing education experience under responsible sponsorship, capable direction, and qualified instruction, as described in the criteria established by the International Association for Continuing Education and Training; and

''(B) shall be limited to 10 percent of the Indian student count of a tribally controlled college or university.''; and

(3) by striking paragraph (6).

(d) ACCREDITATION REQUIREMENT.—Section 103 of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1804) is amended—

(1) in paragraph (2), by striking ''and'' at the end;

(2) in paragraph (3), by striking the period at the end and inserting ''; and''; and

(3) by inserting after paragraph (3), the following:

''(4)(A) is accredited by a nationally recognized accrediting agency or association determined by the Secretary of Education to be a reliable authority with regard to the quality of training offered; or

''(B) according to such an agency or association, is making reasonable progress toward accreditation.''.

(e) TECHNICAL ASSISTANCE CONTRACTS.—Section 105 of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1805) is amended—

(1) by striking the section designation and heading and all that follows through ''The Secretary shall'' and inserting the following:

''SEC. 105. TECHNICAL ASSISTANCE CONTRACTS.

''(a) TECHNICAL ASSISTANCE.—

''(1) IN GENERAL.—The Secretary shall'';

(2) in the second sentence, by striking ''In the awarding of contracts for technical assistance, preference shall be given'' and inserting the following:

''(2) DESIGNATED ORGANIZATION.—The Secretary shall require that a contract for technical assistance under paragraph (1) shall be awarded''; and

(3) in the third sentence, by striking ''No authority'' and inserting the following:

''(b) EFFECT OF SECTION.—No authority''.

(f) AMOUNT OF GRANTS.—Section 108(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1808(a)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting the subparagraphs appropriately;

(2) by striking ''(a) Except as provided in section 111,'' and inserting the following:

''(a) REQUIREMENT.—

''(1) IN GENERAL.—Except as provided in paragraph (2) and section 111,'';

(3) in paragraph (1) (as redesignated by paragraphs (1) and (2))—

(A) in the matter preceding subparagraph (A) (as redesignated by paragraph (1))—

(i) by striking ''him'' and inserting ''the Secretary''; and

(ii) by striking ''product of'' and inserting ''product obtained by multiplying'';

(B) in subparagraph (A) (as redesignated by paragraph (1)), by striking ''section 2(a)(7)'' and inserting ''section 2(a)(8)''; and

(C) in subparagraph (B) (as redesignated by paragraph (1)), by striking ''$6,000,'' and inserting ''$8,000, as adjusted annually for inflation.''; and

(4) by striking ''except that no grant shall exceed the total cost of the education program provided by such college or university.'' and inserting the following:

''(2) EXCEPTION.—The amount of a grant under paragraph (1) shall not exceed an amount equal to the total cost of the education program provided by the applicable tribally controlled college or university.''.

(g) GENERAL PROVISIONS REAUTHORIZATION.—Section 110(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1810(a)) is amended—

(1) in paragraphs (1), (2), (3), and (4), by striking ''1999'' and inserting ''2008'';

(2) in paragraphs (1), (2), and (3), by striking ''4 succeeding'' and inserting ''5 succeeding'';

(3) in paragraph (2), by striking ''$40,000,000'' and inserting ''such sums as may be necessary'';

(4) in paragraph (3), by striking ''$10,000,000'' and inserting ''such sums as may be necessary''; and

(5) in paragraph (4), by striking ''succeeding 4'' and inserting ''5 succeeding''.

(h) ENDOWMENT PROGRAM REAUTHORIZATION.—Section 306(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1836(a)) is amended—

(1) by striking ''1999'' and inserting ''2008''; and

(2) by striking ''4 succeeding'' and inserting ''5 succeeding''.

(i) TRIBAL ECONOMIC DEVELOPMENT REAUTHORIZATION.—Section 403 of the Tribal Economic Development and Technology Related Education Assistance Act of 1990 (25 U.S.C. 1852) is amended—

(1) by striking ''$2,000,000 for fiscal year 1999'' and inserting ''such sums as may be necessary for fiscal year 2008''; and

(2) by striking ''4 succeeding'' and inserting ''5 succeeding''.

(j) TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS.—

(1) IN GENERAL.—The Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.) is amended by adding at the end the following:

''Subtitle V—Tribally Controlled Postsecondary Career and Technical Institutions

''SEC. 501. DEFINITION OF TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTION.

''In this title, the term 'tribally controlled postsecondary career and technical institution' has the meaning given the term in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302).

''SEC. 502. TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS PROGRAM.

''(a) IN GENERAL.—Subject to the availability of appropriations, for fiscal year 2008 and each fiscal year thereafter, the Secretary shall—

''(1) subject to subsection (b), select 2 tribally controlled postsecondary career and technical institutions to receive assistance under this title; and

''(2) provide funding to the selected tribally controlled postsecondary career and technical institutions to pay the costs (including institutional support costs) of operating postsecondary career and technical education programs for Indian students at the tribally controlled postsecondary career and technical institutions.

''(b) SELECTION OF CERTAIN INSTITUTIONS.—

''(1) REQUIREMENT.—For each fiscal year during which the Secretary determines that a tribally controlled postsecondary career and technical institution described in paragraph (2) meets the definition referred to in section 501, the Secretary shall select that tribally controlled postsecondary career and technical institution under subsection (a)(1) to receive funding under this section.

''(2) INSTITUTIONS.—The 2 tribally controlled postsecondary career and technical institutions referred to in paragraph (1) are—

''(A) the United Tribes Technical College; and

''(B) the Navajo Technical College.

''(c) METHOD OF PAYMENT.—For each applicable fiscal year, the Secretary shall provide funding under this section to each tribally controlled postsecondary career and technical institution selected for the fiscal year under subsection (a)(1) in a lump sum payment for the fiscal year.

''(d) DISTRIBUTION.—

''(1) IN GENERAL.—For fiscal year 2009 and each fiscal year thereafter, of amounts made available pursuant to section 504, the Secretary shall distribute to each tribally controlled postsecondary career and technical institution selected for the fiscal year under subsection (a)(1) an amount equal to the greater of—

''(A) the total amount appropriated for the tribally controlled postsecondary career and technical institution for fiscal year 2006; or

''(B) the total amount appropriated for the tribally controlled postsecondary career and technical institution for fiscal year 2008.

''(2) EXCESS AMOUNTS.—If, for any fiscal year, the amount made available pursuant to section 504 exceeds the sum of the amounts required to be distributed under paragraph (1) to the tribally controlled postsecondary career and technical institutions selected for the fiscal year under subsection (a)(1), the Secretary shall distribute to each tribally controlled postsecondary career and technical institution selected for that fiscal year a portion of the excess amount, to be determined by—

''(A) dividing the excess amount by the aggregate Indian student count (as defined in section 117(h) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2327(h)) of such institutions for the prior academic year; and

''(B) multiplying the quotient described in subparagraph (A) by the Indian student count of each such institution for the prior academic year.

''SEC. 503. APPLICABILITY OF OTHER LAWS.

''(a) IN GENERAL.—Paragraphs (4) and (7) of subsection (a), and subsection (b), of section 2, sections 105, 108, 111, 112 and 113, and titles II, III, and IV shall not apply to this title.

''(b) INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE.—Funds made available pursuant to this title shall be subject to the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

''(c) ELECTION TO RECEIVE.—A tribally controlled postsecondary career and technical institution selected for a fiscal year under section 502(b) may elect to receive funds pursuant to section 502 in accordance with an agreement between the tribally controlled postsecondary career and technical institution and the Secretary

under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) if the agreement is in existence on the date of enactment of the Higher Education Amendments of 2007.

''(d) OTHER ASSISTANCE.—Eligibility for, or receipt of, assistance under this title shall not preclude the eligibility of a tribally controlled postsecondary career and technical institutions to receive Federal financial assistance under—

''(1) any program under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.);

''(2) any program under the Carl D. Perkins Career and Technical Education Act of 2006; or

''(3) any other applicable program under which a benefit is provided for—

''(A) institutions of higher education;

''(B) community colleges; or

''(C) postsecondary educational institutions.

''SEC. 504. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated such sums as are necessary for fiscal year 2008 and each fiscal year thereafter to carry out this title.''.

(2) CONFORMING AMENDMENTS.—Section 117 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2327) is amended—

(A) by striking subsection (a) and inserting the following:

''(a) GRANT PROGRAM.—Subject to the availability of appropriations, the Secretary shall make grants under this section, to provide basic support for the education and training of Indian students, to tribally controlled postsecondary career and technical institutions that are not receiving Federal assistance as of the date on which the grant is provided under—

''(1) title I of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1802 et seq.); or

''(2) the Navajo Community College Act (25 U.S.C. 640a et seq.).''; and

(B) by striking subsection (d) and inserting the following:

''(d) APPLICATIONS.—To be eligible to receive a grant under this section, a tribally controlled postsecondary career and technical institution that is not receiving Federal assistance under title I of the Tribally Controlled College or University Assistance Act (25 U.S.C. 1802 et seq.) or the Navajo Community College Act (25 U.S.C. 640a et seq.) shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.''.

(k) SHORT TITLE.—

(1) IN GENERAL.—The first section of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 note; Public Law 95–471) is amended to read as follows:

''SECTION 1. SHORT TITLE.

''This Act may be cited as the 'Tribally Controlled Colleges and Universities Assistance Act of 1978'.''.

(2) REFERENCES.—Any reference in law (including regulations) to the Tribally Controlled College or University Assistance Act of 1978 shall be considered to be a reference to the ''Tribally Controlled Colleges and Universities Assistance Act of 1978''.

Subpart 2—Navajo Higher Education

SEC. 945. SHORT TITLE.

This subpart may be cited as the ''Navajo Nation Higher Education Act of 2006''.

SEC. 946. REAUTHORIZATION OF NAVAJO COMMUNITY COLLEGE ACT.

(a) PURPOSE.—Section 2 of the Navajo Community College Act (25 U.S.C. 640a) is amended—

(1) by striking ''Navajo Tribe of Indians'' and inserting ''Navajo Nation''; and

(2) by striking ''the Navajo Community College'' and inserting ''Diné College''.

(b) GRANTS.—Section 3 of the Navajo Community College Act (25 U.S.C. 640b) is amended—

(1) in the first sentence—

(A) by inserting ''the'' before ''Interior'';

(B) by striking ''Navajo Tribe of Indians'' and inserting ''Navajo Nation''; and

(C) by striking ''the Navajo Community College'' and inserting ''Diné College''; and

(2) in the second sentence—

(A) by striking ''Navajo Tribe'' and inserting ''Navajo Nation''; and

(B) by striking ''Navajo Indians'' and inserting ''Navajo people''.

(c) STUDY OF FACILITIES NEEDS.—Section 4 of the Navajo Community College Act (25 U.S.C. 640c) is amended—

(1) in subsection (a)—

(A) in the first sentence—

(i) by striking ''the Navajo Community College'' and inserting ''Dine College''; and

(ii) by striking ''August 1, 1979'' and inserting ''October 31, 2010''; and

(B) in the second sentence, by striking ''Navajo Tribe'' and inserting ''Navajo Nation'';

(2) in subsection (b), by striking ''the date of enactment of the Tribally Controlled Community College Assistance Act of 1978'' and inserting ''October 1, 2007''; and

(3) in subsection (c), in the first sentence, by striking ''the Navajo Community College'' and inserting ''Diné College''.

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 5 of the Navajo Community College Act (25 U.S.C. 640c–1) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking ''$2,000,000'' and all that follows through the end of the paragraph and inserting ''such sums as are necessary for fiscal years 2008 through 2013.''; and

(B) by adding at the end the following:

''(3) Sums described in paragraph (2) shall be used to provide grants for construction activities, including the construction of buildings, water and sewer facilities, roads, information technology and telecommunications infrastructure, classrooms, and external structures (such as walkways).'';

(2) in subsection (b)(1)—

(A) in the matter preceding subparagraph (A)—

(i) by striking ''the Navajo Community College'' and inserting ''Diné College''; and

(ii) by striking '', for each fiscal year'' and all that follows through ''for—'' and inserting ''such sums as are necessary for fiscal years 2008 through 2013 to pay the cost of—'';

(B) in subparagraph (A)—

(i) by striking ''college'' and inserting ''College'';

(ii) in clauses (i) and (iii), by striking the commas at the ends of the clauses and inserting semicolons; and

(iii) in clause (ii), by striking '', and'' at the end and inserting ''; and'';

(C) in subparagraph (B), by striking the comma at the end and inserting a semicolon;

(D) in subparagraph (C), by striking '', and'' at the end and inserting a semicolon;

(E) in subparagraph (D), by striking the period at the end and inserting ''; and''; and

(F) by adding at the end the following:

''(E) improving and expanding the College, including by providing, for the Navajo people and others in the community of the College—

''(i) higher education programs;

''(ii) career and technical education;

''(iii) activities relating to the preservation and protection of the Navajo language, philosophy, and culture;

''(iv) employment and training opportunities;

''(v) economic development and community outreach; and

''(vi) a safe learning, working, and living environment.''; and

(3) in subsection (c), by striking ''the Navajo Community College'' and inserting ''Diné College''.

(e) EFFECT ON OTHER LAWS.—Section 6 of the Navajo Community College Act (25 U.S.C. 640c–2) is amended—

(1) by striking ''the Navajo Community College'' each place it appears and inserting ''Diné College''; and

(2) in subsection (b), by striking ''college'' and inserting ''College''.

(f) PAYMENTS; INTEREST.—Section 7 of the Navajo Community College Act (25 U.S.C. 640c–3) is amended by striking ''the Navajo Community College'' each place it appears and inserting ''Diné College''.

The ACTING PRESIDENT pro tempore. The Senator from Wyoming is recognized.

Mr. ENZI. Mr. President, I am going to speak a little bit about this very important bill, S. 1642, the Higher Education Amendments Act of 2007. This legislation is a bipartisan product of 3 years of negotiations by the members of the Senate Health, Education, Labor and Pensions Committee, or the HELP Committee. It builds on the legislation the HELP Committee passed in the 109th Congress.

It is important to note that the legislation before us today is not a Democratic or a Republican bill; it is a bipartisan bill. We worked on it carefully. We made sure that parts which were objectionable to either side were eliminated or a third way found, and as a result of that very congenial process, it has gotten us to this point where we are on the floor with the bill.

Following the bill we had last week, which also dealt with higher education—more with the funding issues—this bill covers a number of the other issues. But Republican Senators were able to secure changes to the Higher Education Act that were important to them, as were Democratic Senators.

Our committee works a little differently than a lot of the committees. We use the committee markup to see what the objections are to a bill, the intensity of those objections, and identify possible solutions. Then, once the bill has been marked up, we will get together a managers' package that will overcome any remaining objections. I am pleased with the effort that has gone into this bill since markup. We worked together to bring to the floor a piece of legislation that can be supported by the most liberal and the most conservative Members of the Senate.

I am pleased we are taking up this bill today. The companion legislation, the Higher Education Access Reconciliation Act of 2007, passed the Senate last week, as I mentioned. My colleagues heard me say over and over again last week that the reconciliation bill was only a small piece of the Higher Education Act. Without considering both bills, we would only be doing part of the job.

I wish to thank my leadership for hearing me and my Republican colleagues on the HELP Committee when we requested that both these bills be considered sequentially.

At this point, I ask unanimous consent to have printed in the RECORD and sent to the desk the letter several of us sent requesting that both these higher education bills be considered together.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, July 12, 2007.

The Hon. HARRY REID,
Majority Leader, U.S. Senate, Hart Senate Office Building, Washington, DC.

Hon. MITCH MCCONNELL,
Minority Leader, U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR REID AND SENATOR MCCONNELL: On June 20th the Committee on Health, Education, Labor and Pensions reported two separate pieces of legislation: S. 1642 the Higher Education Amendments of 2007, which reauthorizes the discretionary programs within the Higher Education Act; and the Higher Education Access Act of 2007, a reconciliation bill that responds to the Budget Resolution adopted earlier this year. This legislative package takes important steps to make college more affordable, while ensuring American students have the knowledge and skills they need to be successful in the 21st century economy.

Both the reauthorization and reconciliation bills must be considered together on the Senate floor as a comprehensive reform of our laws pertaining to higher education and should not be moved separately. If the Senate moves forward with just the Higher Education Access Act, which as a budget bill has a privileged status, we lose an important opportunity to pass essential bipartisan reforms contained in the Higher Education Amendments bill. The reforms in the reauthorization bill include: simplifying the student aid application process; authorizing a year-round Pell Grant to better serve nontraditional students; and expanding graduate programs at Historically Black Colleges and Universities and Hispanic Serving Institutions. More importantly, moving the reconciliation bill without the reauthorization bill would result in making significant cuts to education subsidies, while ignoring important ethical, privacy, and disclosure requirements taken from Republican bills. We believe these new requirements as contained in the reauthorization bill are necessary to protect students from those who would exploit loan programs.

We will only be doing half our job if we allow the reconciliation bill to move forward without the companion reauthorization bill. Such a piecemeal approach to reforming higher education is inadequate. The Senate must ensure an ample and meaningful debate on both bills at the same time so that the vital reforms to higher education are given the attention and scrutiny that they warrant. We urge you to take a comprehensive approach to addressing the challenges facing higher education and our status as a world economic leader by moving both of these bills together on the floor.

Sincerely,

MICHAEL B. ENZI, JUDD GREGG, LAMAR ALEXANDER, PAT ROBERTS, RICHARD BURR, ORRIN HATCH, JOHNNY ISAKSON, WAYNE ALLARD, LISA MURKOWSKI.

Mr. ENZI. Mr. President, today we are going to consider the rest of the higher education pie—the foundation of the programs we discussed last week. I believe that without considering both pieces of legislation, we will not make the changes necessary to help students enter into and succeed in higher education.

These are all of the pieces of the higher education pie. We see the little red triangle there; that is the reconciliation piece which we did last week, and it deals with the Pell grant funding, primarily. This bill deals with the other pie pieces we see on this chart.

ACG, the Academic Competitiveness grants, and the SMART grants, are grants to students who will specialize in science, technology, engineering, math, and some selected languages. These grants provide extra support above the Pell grants, and that is so we turn out the kind of people we need in technical fields to keep the innovation in the United States going. We passed the America COMPETES package that ties in with this.

Teacher quality. The key to a classroom is the teacher. We had to have a piece in there that would encourage teachers and get them extra instruction so they can be better teachers.

FAFSA simplification. There are a lot of people who have not applied for grants because the process is so difficult. You probably saw us last week mention that this was the application—actually, these are the instructions; the applications are equally as long. We have been able, through this bill, to reduce that to a very simple form for students to be able to fill out to see if they can qualify for the Federal help that is available. There is significant Federal help available, and we don't want anybody not attending higher education, whether it be college or technical school, because they don't have the resources for it. We are trying to provide the resources, and now we are trying to make sure the process isn't so difficult that people skip the process and skip higher education. We need the technical skills that are provided by a higher education, a higher level of thought. So we now have a much easier form.

You will also find some little improvements, such as if you do work while you are in junior high and high school and you earn and save some money, you won't be penalized when you apply for college. We want people to be saving their money, not spending their money so that it doesn't count against them when they go to make the application.

Graduate and international education, and loan disclosures are also included in this bill. There has been quite a bit of emphasis on this lately. I was pleased to be able, as an accountant, to provide a lot of suggestions for the ways these problems could be handled so that people would know exactly what is available and so that companies and colleges dealing with loans would do the right thing.

Pell grants and campus-based aid are a huge part. It complements the Pell grant work we did last week, which was essential to what we did in the reconciliation bill. And, of course, financial literacy. We incorporate that into our work whenever we possibly can. People need to know as much about their financial situation as possible. It is particularly critical for college students. We don't want them winding up in an impossible situation when they graduate. We want them to be able to take advantage of the resources available before they enter college.

So we have a lot of pieces that will be completed when we finish the day today, and I am convinced we will be able to complete this today. We have a limited number of amendments, and many are very reasonable and should not be too difficult. We will have discussions on some others. We will have a very bipartisan discussion on what can be put in the bill to complete it, and we will get it done today.

Why is that important? This year marks 50 years since Sputnik was launched. That launch sparked huge turmoil in this country and worry about the knowledge and skills necessary to keep our economy growing and competitive. I was in junior high at the time. It was a shock to our Nation. Every one of us could recognize it—teachers, parents and, probably as important, students, recognized it. Russia was beating us. They had put a satellite into orbit. It shocked us. But it also brought out that American competitive spirit. We said they were not going to beat us. It launched a change in education such as we had not seen in the United States in decades, maybe centuries. We were ultimately the winners of the space race, but it wasn't just the space race; it was an education race. It was the broad range of education the United States delved into and the innovation that was brought about at the time that put us ahead of Russia. Of course, the Government probably helped considerably too. Sputnik had a dramatic effect on our education system and made us recognize a high school diploma was no longer just a nice thing to have. We could no longer rest on our past successes as a Nation. We met the challenge of Sputnik through the National Defense Education Act. We looked to education as a path to continued success, and we supported an increase in the number of people who would continue their education beyond high school, particularly in math, science, engineering, and technology.

We are again being challenged. For millions of Americans, access to an affordable college education is the key to their success in the 21st century global economy. In the 1950s, skilled jobs comprised 20 percent of the U.S. job market. In 2000, 85 percent of all U.S. jobs are categorized as skilled. Without some college education, these Americans will not have the qualifications for over 90 percent of the new jobs being created over the next 10 years. It is estimated that 60 percent of tomorrow's jobs will require skills that only 20 percent of today's workers possess. We have a huge challenge, not just in K–12 and higher education but in continuing education. It is estimated the average person leaving college will change careers 14 times. I didn't say ''change jobs'' 14 times, I said ''change careers'' 14 times. That is the pace at which things are accelerating.

Here is an even more important statistic. Of those 14 career changes, 10 of them don't even exist now. So we are

educating people for a level of jobs that do not exist at the present time. That is quite a challenge. In this decade, 40 percent of job growth will be in jobs requiring postsecondary education. Those jobs requiring associate degrees are growing the fastest. Learning is never over; school is never out. Technology is demanding that everybody continue to learn and gain skills to remain competitive in the workplace.

America's ability to compete in a global economy depends increasingly on the number of students entering and completing college. Of the 75 percent of high school seniors who continue their studies, only 50 percent receive a degree in 5 years after enrolling in college. Only 25 percent of them receive a bachelor's degree or higher. These numbers, incidentally, are even worse for children of low-income families. Among eighth graders in 1988, only 16 percent from low-income families attained a bachelor's degree by 2000. The fact is that over four times as many eighth graders from high-income families attain bachelor's degrees than from low-income families. This is using the eighth graders from 1988 who should have graduated by 2000.

On the chart, you can see the level from low to high income who completed a bachelor's degree based on family income. Some of that is a failure on our part to emphasize to those in the low-income category they can do it and they should do it and how they can do it. That is part of what this bill does.

It is important to ensure that more students enroll in college prepared to learn and that more students have the support they need to complete college with the knowledge and skills to be successful. Slightly less than one-third—31 percent—of all public high school students are prepared for postsecondary education, as demonstrated by the academic courses they pursue. Well-prepared and well-supported students are more likely to persist to a degree completion and obtain the knowledge and skills they need.

For years, institutions of higher education and employers have expressed their dissatisfaction about the fact that our high school graduates need remedial study or training in order to do college-level work or to participate in the workforce. Nearly one-third of entering college freshmen take at least one remedial course. Each year, taxpayers pay an estimated $1 billion to $2 billion to provide remedial education to students at our public universities and community colleges.

Our goal should be to keep the cost of college down, expand the availability of information, help students and parents make more informed decisions, and improve financial literacy across the board so students and families have a better understanding of how they can manage their loans and monthly payments. Schools and colleges must do more to increase accountability and seek efficiencies that bring down the cost of postsecondary education.

S. 1642, the Higher Education Amendments of 2007, refines and focuses Federal policy on access, affordability, and accountability. It attempts to tackle the complexity of the Federal student data system. Right now, filling out the free application for federal student aid prevents many students from even considering college. That was never our intent. This bill, as I pointed out, reduces the number of questions on the FAFSA to those that are necessary to determining the need students have for financial assistance. We are making the FAFSA less complicated than filling out tax forms, which has not been the case in the past. The bill puts us on the path of greater coordination between Federal agencies so students and their families will have the opportunity to allow information that is already provided to the Government through tax forms, be used to complete the FAFSA.

Also, it is our responsibility to ensure that students and their families have the information they need to make informed decisions about the investment of time and money they are making to secure a college education. The cost of college has risen dramatically and at the same time the need for a college education has never been greater. Students will receive upfront information about financial decisions they are making. Similar information would be provided to them periodically throughout their college experience.

The quality of classroom teacher preparation is critical to the education of our K–12 students. The goal of the teacher preparation programs supported under this bill is to help teachers be prepared to meet the ever-increasing diverse needs of students and to improve student achievement.

The bill also addresses recent concerns that institutions of higher education and lenders have not been operating in the best interest of students and their families. Although what we have seen are isolated incidents, we wish to make sure the confidence in our institutions and financial aid advisors is not questioned. We have included requirements that institutions establish codes of conduct for how they work with lenders and prohibit incentives and other arrangements that would appear inappropriate. Students and their parents must have knowledge to make informed choices and financial decisions that will impact their lives for years to come.

It is no longer an option whether to pursue college or skills certification that is nationally recognized. Everybody needs tools to understand and shape their future. Higher education is the onramp to success in the global economy, and it is our responsibility to make sure everyone can access that opportunity and reach their goals. Without a lifetime of education, training, and retraining opportunities for everyone, we will not meet our 21st century needs and challenges.

There is tremendous opportunity in the United States. We recently went to India to see why they were winning in some markets and getting American jobs, and their method is kind of abhorrent to Americans, and it should be. They begin excluding students at very early ages. They make the prize very desirable in the end, and that results in lots of people pursuing and competing and getting those few opportunities for higher education out of that huge population.

We believe in higher education for anyone who wants it, and the need is there. I look forward to the opportunity to discuss this bill and to consider the amendments that will be offered. I thank Senator KENNEDY for working with me and my Republican colleagues in order to bring a bipartisan bill to the floor. As he mentioned last week, this is essentially the bill he and I worked on the past 2 years and wanted to bring to the floor, but were not able to. We now have that opportunity, and I am pleased everyone is willing to cooperate and get it done quickly.

As we move forward, I am hopeful we will move forward with both the Higher Education Access Act of 2007, the reconciliation bill we passed last week, and this bill. The comprehensive reauthorization of both of these bills will make a huge difference. There is no reason they cannot accompany each other moving forward, as they have on the Senate floor. Each complements the other, and without both, the changes made in reconciliation will be less meaningful. I encourage the Democratic leadership to ensure we don't do just a piece of the pie as we move forward; otherwise, as was said last week, ''any way you slice it, higher education is left undone.'' We need both pieces to get it done right.

Again, I thank Senator KENNEDY and those on the other side of the aisle on the committee for their tremendous cooperation, participation, focus, and willingness to figure out what we are trying to solve and find a way to solve it. We have done a very adequate job with what is in this bill.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico is recognized.

Mr. BINGAMAN. Mr. President, I congratulate Senator KENNEDY and Senator ENZI for their leadership in getting this higher education bill to the floor. I know they have worked on it for many years now. As I understand it, the current Higher Education Act, which we have had to extend, was scheduled to expire in 2004. We are now getting around to actually passing a reauthorization of that legislation, which I think is very important to do.

Last week, we overwhelmingly approved the student aid package that promises millions of students the ability to afford college. That package included more than $17 billion in student aid over 5 years. For my State of New

Mexico, that translated into $177 million of new aid for New Mexico students and their families over the next 5 years.

I was glad to be part of the committee that prepared that legislation. I am glad to see it passed by an overwhelming vote of 78 to 18. But financial assistance is only one part of the puzzle, as Senator ENZI pointed out. We need to do more, and the legislation before us today gives us the ability to do more.

First, we need to do more to address the increasing cost of attending college. Second, we need to ensure more students graduate from college and are prepared to succeed in this 21st-century global economy. And, third, we need to reform the student loan system so it works better for students rather than just for lenders.

I believe this legislation accomplishes all three of those objectives.

These higher education amendments of 2007 have a number of provisions designed to address the rising cost of college. We have all talked about the rising cost of college. The cost of going to college is 6.3 percent higher than it was last year, and the average cost of going to a 4-year college is $13,000 this year. The bill sets forth a comprehensive approach to addressing these problems.

First, the amendments will establish a higher education price index to accurately reflect annual changes in tuition and fees for undergraduate students. The Secretary of Education will be required to report annually in a national list and in a list for each State a ranking of colleges according to the extent of changes they have made in their tuition and fees.

The Secretary is also required to establish a higher education price increase watch list in order to hold colleges accountable for their rising costs by publicizing those colleges where increases are the highest.

Second, the bill makes significant changes to the financial aid process. It makes Pell grants available to students all year round so they can take courses during the summer, and they can finish college earlier. It will also simplify the forms that these students have to complete.

The bill also removes barriers for students with disabilities and students with limited English proficiency so they can apply for financial aid.

These amendments provide a number of types of loan forgiveness, scholarships, and fellowship opportunities. Let me mention just a few. The bill provides loan forgiveness for early childhood educators, including Head Start teachers and preschool program instructors, full-time faculty members of tribal colleges and universities, school librarians, speech and language pathologists, and members of the Armed Forces. It authorizes graduate fellowships for minority students and women.

We need to increase the number of students who can succeed and graduate from college, and this bill places great emphasis on activities that not only help high school students prepare for college but help those same students succeed in college and graduate from college.

The higher education amendments improve student academic readiness for college by strengthening the GEAR UP and TRIO programs. For example, the bill requires GEAR UP partnerships to systematically change the way schools prepare students for college. It requires States and school districts to encourage more students to enroll in rigorous high school course work and emphasizes activities that will support the development of college prep curricula, including advanced placement courses. The bill also strengthens the TRIO programs by establishing outcome criteria for measuring the quality and effectiveness of the programs around the country.

The bill includes a provision that I authored that creates a new grant program to assist colleges and universities that serve large numbers of Native American students. Currently, there is no particular Federal program to assist nontribal schools that provide educational services and support to large Native American student populations. We have a number of such schools in my home State of New Mexico such as San Juan College, University of New Mexico in Gallup, New Mexico State University in Grants, and the Eastern New Mexico campus in Ruidoso.

The bill provides grants to such colleges to improve and expand their capacity to serve Native American students through such activities as curriculum development, academic instruction, faculty development, acquisition of education instruction, research equipment, and a variety of other activities.

The higher education amendments also improve programs for students whose families are engaged in migrant and seasonal farm work to enter and succeed in college. This is very important.

In addition, the bill authorizes funding for the Navajo Technical College to help pay the costs to operate postsecondary career and technical educational programs for Native American students. This authorization will significantly increase the Navajo Technical College's ability to provide high-quality career and technical training to ensure that Native American students graduate with the skills needed to succeed in this economy.

I am also very glad this legislation contains provisions from the Next Generation Hispanic-Serving Institutions Act of 2007. This is legislation that I introduced, along with Senator HUTCHISON and others, to establish a long overdue Hispanic-serving institution graduate program.

Current law only provides support for 2-year and 4-year colleges. The percentage of Hispanic students attending college has increased significantly in recent years. Unfortunately, Hispanic students are woefully underrepresented in the graduate programs around our country, and this legislation will try to help solve that problem.

The higher education amendments will also require teacher preparation programs to substantially improve over the next several years.

Finally, as we see the price of college rising steadily, an increased number of students are forced to rely on loans in order to finance their education. We have seen from recent investigations that some lenders in the Student Loan Program, and even some financial aid officers, have been exploiting the student loan system to the detriment of the very students they are meant to help.

This reauthorization will make a number of very important changes to the Student Loan Program. It will ensure that colleges recommend lenders to their students based on the best interest of the students and not on the self-interests of the financial aid officers.

Further, it will prohibit payments or gifts or other inducements from lenders to colleges or to financial aid administrators that constitute a conflict of interest.

Importantly, it will require colleges to establish and follow a code of conduct with respect to student loans.

Let me reiterate that this is extremely important legislation. I commend the majority leader for bringing it to the Senate floor. I commend Senator KENNEDY and Senator ENZI for their bipartisan effort to move this legislation forward. Together with the student aid package that we approved last week, this legislation will allow us to make college accessible to all and affordable for every family in this country. I urge my colleagues to support the bill.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. CARDIN). Who yields time? The Senator from North Dakota is recognized.

AMENDMENT NO. 2366

Mr. DORGAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. DORGAN] proposes an amendment numbered 2366.

Mr. DORGAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide for the development of a student loan clearinghouse)

At the end of title VIII, add the following:

SEC. 802. STUDENT LOAN CLEARINGHOUSE.

(a) DEVELOPMENT.—Not later than 180 days after the date of enactment of this Act, the Secretary of Education shall establish 1 or more clearinghouses of information on student loans (including loans under parts B

and D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq. and 1087a et seq.) and private loans, for both undergraduate and graduate students) for use by prospective borrowers or any person desiring information regarding available interest rates and other terms from lenders. Such a clearinghouse shall—

(1) have no affiliation with any institution of higher education or any lender;

(2) accept nothing of value from any lender, guaranty agency, or any entity affiliated with a lender or guaranty agency, except that the clearinghouse may establish a flat fee to be charged to each listed lender, based on the costs necessary to establish and maintain the clearinghouse;

(3) provide information regarding the interest rates, fees, borrower benefits, and any other matter that the Department of Education determines relevant to enable prospective borrowers to select a lender;

(4) provide interest rate information that complies with the Federal Trade Commission guidelines for consumer credit term disclosures; and

(5) be a nonprofit entity.

(b) PUBLICATION OF LIST.—The Secretary of Education shall publish a list of clearinghouses described in subsection (a) on the website of the Department of Education and such list shall be updated not less often than every 90 days.

(c) DISCLOSURE.—Beginning on the date the first clearinghouse described in subsection (a) is established, each institution of higher education that receives Federal assistance under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) and that designates 1 or more lenders as preferred, suggested, or otherwise recommended shall include a standard disclosure developed by the Secretary of Education on all materials that reference such lenders to inform students that the students might find a more attractive loan, with a lower interest rate, by visiting a clearinghouse described in subsection (a).

(d) REPORT.—Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to Congress on whether students are using a clearinghouse described in subsection (a) to find and secure a student loan. The report shall assess whether students could have received a more attractive loan, one with a lower interest rate or better benefits, by using a clearinghouse described in subsection (a) instead of a preferred lender list.

Mr. DORGAN. Mr. President, I join my colleague from New Mexico in commending Senator KENNEDY and Senator ENZI for bringing this bill to the floor of the Senate. It is important legislation and one that I hope we will move to pass very quickly.

This is about education. I don't know there is a subject much more important than education. H.G. Wells once said that human history becomes a race between education and catastrophe. Education is so unbelievably important. As I was sitting here, I was thinking about this amendment and about education and what it means to our country. I was thinking about something I have told my colleagues previously.

The first week I served in the Congress, I served in the U.S. House of Representatives. I went to visit, then, the oldest man serving in the Congress. I read a lot about him and was interested in him. So I went to say hello, to greet him. His name was Claude Pepper from Florida. Claude Pepper was an old man by then but a vibrant man nonetheless. He had an office that was very much like a museum, full of history over the many decades.

As I indicated before, one of the things I remember about that morning walking into Claude Pepper's office was seeing all of his memorabilia about his service. But I saw two things that struck me. They were behind his chair looking over his desk. There were two photographs. One was a photograph of December 17, 1903, Wilbur and Orville Wright making the first powered human flight to leave the surface of the Earth. It was autographed to Congressman Claude Pepper. Before Orville Wright died, he autographed this wonderful photograph of that little airplane in the wind in Kitty Hawk, NC, leaving the ground. It says: ''To Congressman Claude Pepper, with admiration. Orville Wright.'' I thought, this is interesting. I am speaking to a living man who has an autographed photograph of the first person to leave the ground.

Beneath that was something just as interesting. It was Neil Armstrong setting foot on the Moon autographed ''To Claude Pepper, with admiration. Neil Armstrong.'' I thought, these pictures are only about 4 inches apart in frames, but what is the distance between these photographs? From 1903 to 1969, leaving the Earth for the first time in human-powered flight and then stepping on the surface of the Moon. What is that distance measured in? It is measured in education. It comes from this country's education system—knowledge, engineering, science, mathematics, the knowledge to build flying machines, to build rockets, to build Moon capsules. The basic knowledge comes from our school system, from your education system.

I know we spend a lot of time in this country describing what is wrong with education. But the fact is, we are the ones who have split the atom and spliced genes. We are the ones who invented the telephone and the television and the computer. We are the ones who built airplanes and then learned to fly them, built rockets and walked on the surface of the Moon, all as a result of the foundation of learning and education.

So the bill comes to the floor of the Senate today saying education is a priority, and it is, and we have some issues with education that we want to fix because we want to strengthen our educational system. It is not that our system is perfect, we know it is not. It needs to be strengthened and improved.

With respect to higher education, we want to encourage every person in this country who has an urge to get a college degree, to go to a technical school, to go to a vocational school, to be able to advance their interests. In doing so, we offer a series of financial incentives. For those who have no money, we offer Pell grants. For those who have very little money, we offer Stafford loans and direct loans. And for those who perhaps do not qualify for the low-income components, they have other loan opportunities from private lenders to get the money to go to college.

That is what we want in this country. We want every young child to grow up, and as they grow up, to become whatever their God-given talents can allow them to be. We don't want the brakes to exist for anybody. We want this to be an opportunity for everybody.

I recall one day when my father came home for supper—and my father was a very successful man, very bright man, did very well in his life, but he only went through sixth grade in school because his mother died during childbirth and my father spent most of his time trying to raise some money and work and try to help his brothers and sisters, who had been farmed out to uncles and aunts and so on. So my dad had only a sixth grade education.

I recall him coming home one day, never having told our family, and announcing at the supper table that he had just passed the GED. He had gotten his high school degree. He was somewhere in his fifties. He had gotten his high school degree. I will never forget the look on his face when he told us: I am a high school graduate. Got my GED.

We didn't even know he was doing it, but he did. It meant the world to him because he had never gotten the opportunity to go beyond the sixth grade. And it means the world to a lot of people, in my judgment, to find out: What are my talents? What capabilities do I have? What are my interests to better myself? What kinds of things am I interested in, and where can I go to college? How can I finish school and then go to college and advance my opportunities?

Well, that is what the legislation that is brought before us today offers us the opportunity to do, to advance those interests. We have done it in steps over many decades, and it is the difference, as the Senator from Wyoming said, it is the difference between this country and many others.

There are many other countries where they separate these kids at an early age, and they say: Well, based on your track record, based on the way things look for you, you are going in this direction. You are not going to college. And based on the way things look, you are going here. They separate them and they channel kids. Not in this country. We want every single kid to have an opportunity to become whatever their God-given talents allow them to become.

So the issue is funding for many kids because many young people don't have the money to go to college unless they get some help—Pell grants, Stafford loans, direct loans, and other loans. So we have programs that we have put together that provide that kind of assistance through the student loan process,

and this bill, the underlying bill, strengthens programs to prepare students for college, and it takes important steps to help kids get to college and then make both kids and colleges accountable.

Now, we have rising costs, as everyone knows. Every single parent knows that the costs for a college education are increasing dramatically. With respect to lending money for students going to college, we have discovered recently that there are some abusive lending practices, and this bill takes some steps to address those abusive practices.

Some student lenders have undertaken to secure spots on what are called ''preferred lender lists.'' Some colleges, many colleges, have preferred lender lists. They put out a list that says: Here are the lenders from which you can get a guaranteed loan. There is a lot of money in this process for the lenders, and that is why the lenders are so anxious to be on these lists.

My preference would be that we eliminate the lists altogether—eliminate the preferred lender lists—but I don't think that is possible to get through this Chamber at this point, so I am going to do it in another way. I am going to address this in another way with the amendment I have just offered.

The HELP Committee has done an admirable job in digging into this, as well as have, for example, some officials, the attorney general of New York, and others. The HELP Committee has put together some information about colleges and some colleges' financial aid officers soliciting favors, gifts, and financial assistance from lenders in exchange for putting that lender on a preferred list. Here is something that came from the HELP Committee that I noticed when I was looking at this issue.

A Bank of America employee noted in an e-mail that Larry Burt, former Director of the University of Texas Office of Student Financial Aid, had requirements to get on the UT-preferred lender list. Again, it is very important to get on these lists for these companies that want to have lending opportunities to students. So here is someone who ran the University of Texas Student Financial Aid Office. This is a quote.

> Happy hour with UT loan department staff, staff luncheons, lunch and/or dinner with Larry Burt, parties for Larry's family—birthdays, et cetera—invitations to golf tournaments—expenses paid by lender—and free tickets to sports events. Larry loves tequila and wine—since becoming director at UT Austin, he has not had to buy any tequila or wine—lenders provide this to him on a regular basis.

This was an e-mail from a Bank of America employee from a HELP report on marketing practices in the lending program. Not all lenders went along with these inappropriate demands. The HELP Committee investigation said Citibank did not go along with them because they deemed those requests to be inappropriate. And the very next year, apparently, with respect to this campus and Mr. Burt, Citibank was dropped from the UT-preferred lender list.

Student Loan Xpress, another major lender, paid $21,000-plus for the chief financial officer at Johns Hopkins University to attend an executive doctorate program at the University of Pennsylvania after the financial aid officer sent the following lender an e-mail. This is the e-mail that went around from the financial aid officer at Johns Hopkins.

> I have been accepted to a doctoral program at Penn that begins in August. I am searching for ½ tuition support—know of any good scholarship programs?? I already know where to get loans—or, why don't you put me on retainer to EdLending.

This is an e-mail from Dr. Ellen Frishberg, former Johns Hopkins University financial aid director. Once again, I think this is important information discovered by the HELP Committee. They began to investigate these issues.

An investigation by New York attorney general Andrew Cuomo uncovered a revenue-sharing agreement between Citibank and Syracuse University. Citibank was paying Syracuse ½ percent of the interest earned on student loans steered to the bank—a deal worth about $100,000 a year to the school. According to Attorney General Cuomo's investigation, during the last academic year, 98 percent of Syracuse students who took out loans went through Citibank.

Just an unusual occurrence? Doesn't sound like it to me. Many lenders have invited college financial aid officers to serve on advisory boards, flying them around the country and various parts of the world and on harbor cruises.

Now, why do lenders go through all this trouble? Well, the stakes are high. The student loan business is an $85 billion industry. It has grown 27 percent since 2001, and the lenders listed on the college's preferred lender list typically receive up to 90 percent of the loans taken out by students attending that institution. Again, these are guaranteed loans—guaranteed by the Federal Government. Lenders fight to get to the top of a list—of a preferred lender list—at a college.

According to one survey, the first lender on the preferred list gets as much as 75 percent of the loan value. So this is big money to private interests that want to get government-guaranteed loans, move them out to students, and make a lot of money off those loans.

Now, I know that the managers of the bill share my concerns. Senators ENZI, along with ALEXANDER, ALLARD, BURR, HATCH, ISAKSON, MURKOWSKI, and ROBERTS introduced legislation to ban preferred lender lists altogether. And Senator KENNEDY has worked tirelessly to uncover and document abusive practices. I, frankly, would like to ban preferred lender lists altogether. We don't need preferred lender lists by colleges in which they describe who gets on the list and who gets to the top of the list. I don't think we ought to be doing that. But it is quite clear we can't ban those lists at the present time, so I am offering a different amendment.

The bill before us addresses some of these practices by prohibiting payments, gifts, and other inducements that lenders give to colleges and student aid officers. The bill also forces schools to explain the rationale for selecting preferred lenders, and I think these are important steps.

I don't diminish these steps at all. I am concerned that lenders will still do whatever they can do to get on those lists and get to the top of those lists. There are substantial incentives for abuse, and there is no evidence—there is no evidence at all—that the lenders on the preferred list actually offer the best deal to the students.

The PRESIDING OFFICER. The Senator's time in support of his amendment has expired.

Mr. DORGAN. Mr. President, I ask unanimous consent for 5 additional minutes.

The PRESIDING OFFICER. Is there objection?

Hearing no objection, it is so ordered.

Mr. DORGAN. As I was saying, there is no evidence that being on the list or put on the list by the college offers the students the best financial arrangement, and with the cost of college increasing at twice the rate of inflation, I think we need to make sure that students have access to affordable loans.

So I offer an amendment that does the following: It will create a clearinghouse of student loans, both Federal and private loans. That clearinghouse will put students in the driver's seat, allowing them to search for a loan that offers the best deal, the best financial arrangements for them, whether that be the loan that has the lowest rate or the loan with the best borrower's benefits. This gives the students the opportunity to shop in an informed way for the best situation for themselves.

This type of clearinghouse will create more competition in the student loan industry. I can't imagine that many students would go to this clearinghouse and pick the loan with the highest interest rate. This will empower students. It is not a new concept. In fact, some schools, including the University of North Dakota in my home State, are already directing students to Web sites that allow the students to search through dozens of loan options by themselves to pick the best terms.

But creating a clearinghouse is not enough. We need to make certain that students know that it exists. My amendment would require schools to include a disclosure statement on their preferred lending list that lets students know that they might find a better deal by visiting the clearinghouse themselves.

My amendment won't cost taxpayers a dime. The clearinghouse would be

fully paid for by nominal fees that lenders would be charged in order to be listed in the clearinghouse.

Finally, my amendment would direct the Government Accountability Office to issue a report to Congress about whether students have been able to use the clearinghouse and are using the clearinghouse, and it will examine whether students who chose to use one of the school's preferred lenders could have gotten a better rate—better financial arrangements—by visiting the clearinghouse had they done so. It is my hope this report will inform our future efforts in this area. If it becomes clear that students can do much better by visiting the clearinghouse than by going to preferred lenders, I think we ought to take a hard look at whether the preferred lenders ought to exist at all and whether we ought not in the future to prohibit a preferred lender list and develop, instead, a comprehensive clearinghouse that allows students to find the best arrangements for themselves.

I believe this amendment will make the student loan industry more transparent and more accountable to students and their families who already struggle often to pay for these college expenses. So I encourage my colleagues to support this amendment. I think it is a reasonable and measured approach to clean up some of the abusive practices and to empower students.

Finally, again, I would have preferred to just end the preferred lending list, but that is not possible. So this is the step I think accomplishes some of the same goals by empowering students, and I hope the Senate will consider this favorably today.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, I thank the Senator from North Dakota for offering this amendment. I think we will be able to take it on voice—I know we will be able to take it on a voice vote, and I appreciate what he has done to enhance what we have in the bill that deals with more transparency and better information for students and parents on their loans.

We created a number of new programs and disclosure requirements that will better equip students to make informed choices about how to finance their postsecondary education, which is always desired and what we are always working toward, and we have to find some mechanism through which that can be done. So I appreciate the way in which the Senator from North Dakota has approached this.

I appreciate, too, his information. I always learn a lot from listening to him, and the Claude Pepper pictures about the 1903 Wright flight and the 1969 Moon landing are particularly interesting. It does show how education is accelerating—learning how to do flight in 1903, landing on the Moon in 1969—but it was the Sputnik event I mentioned in 1957 that touched off a lot of that. So it was essentially 12 years of development that got us to the Moon.

I also want to mention the Grameen Bank. The founder of the Grameen Bank got a Nobel Peace prize for the work he has been doing loaning money to poor people. And this is a whole different level of poor than we know about in the United States. His first loan was for 27 cents to a lady who was then able to go into a weaving business. But the point I want to make is that the reason a lot of people aren't able to get loans is because they do not have any collateral. Students fall into that category, unless their parents have money. The student doesn't have money, and the student doesn't have collateral.

So what we have provided for in the United States, through the Higher Education Act, both the reconciliation and this act, is a mechanism for people who don't have collateral but just have that collateral of desire; that collateral of a work ethic to be able to get loans and grants to be able to go on to college.

The poorer they are, the more grants they qualify for in different ways. But they can get loans based on their desire to go to college. This mechanism, this clearinghouse, will help people make better determinations on their loans.

We also have a new mechanism which deals with the Parent PLUS loans, which are about 10 percent of the loans. That is going to be an auction process. We looked at some ways to be able to auction the rights to provide the loans in order to bring down the costs, particularly the Federal Government. What we decided on was taking this one category and trying it. To do the whole thing could disrupt the entire student loan process, so we are trying it through an auction process on the Parent PLUS loans. That will answer some of these questions, too, on certification and perhaps bring down some of the costs. But it will increase the ability of students to get loans.

I thank the Senator from North Dakota for his effort. At the appropriate time, we will do a voice vote on that if that is agreeable?

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, a voice vote will be fine. I don't know if we are able to clear it now. I think it is cleared on our side. If it were cleared on your side, I think perhaps we could proceed to have it considered.

Let me make a point. The Senator mentioned the microcredit issue. I have been in various parts of the world where they are using microcredit. In many ways, it is the same thing as microcredit in a different way—people with no collateral to be able to have some funding to advance themselves. The microcredit approach has been unbelievably successful, giving poor people the opportunity to buy needles for crocheting and bicycles for delivery services in various parts of the world. It was interesting the Senator referred to that.

This approach allows a student who has no collateral of any type—all they have is promise, they have the promise of their capability to do better in life if they go to college—it allows them to get a loan to advance their interests. I think it is exactly the right thing.

If we are able to consider that amendment now, I think it would be appropriate.

Mr. ENZI. The amendment is cleared on both sides. Would it be appropriate to finish it now?

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 2366) was agreed to.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

AMENDMENT NO. 2367

Mr. DEMINT. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill read as follows:

The Senator from South Carolina [Mr. DEMINT] proposes an amendment numbered 2367.

Mr. DEMINT. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To have the Government Accountability Office conduct a study regarding the employment of postsecondary education graduates)

At the end of title I, add the following:

SEC. 114. EMPLOYMENT OF POSTSECONDARY EDUCATION GRADUATES.

(a) STUDY, ASSESSMENTS, AND RECOMMENDATIONS.—The Comptroller General of the United States shall—

(1) conduct a study of—

(A) the information that States currently have on the employment of students who have completed postsecondary education programs;

(B) the feasibility of collecting information on students who complete all types of postsecondary education programs (including 2- and 4-year degree, certificate, and professional and graduate programs) at all types of institutions (including public, private nonprofit, and for–profit schools), regarding—

(i) employment, including—

(I) the type of job obtained not later than 6 months after the completion of the degree, certificate, or program;

(II) whether such job was related to the course of study;

(III) the starting salary for such job; and

(IV) the student's satisfaction with the student's preparation for such job and guidance provided with respect to securing the job; and

(ii) for recipients of Federal student aid, the type of assistance received, so that the information can be used to evaluate various education programs;

(C) the evaluation systems used by other industries to identify successful programs and challenges, set priorities, monitor performance, and make improvements;

(D) the best means of collecting information from or regarding recent postsecondary graduates, including—

(i) whether a national website would be the most effective way to collect information;

(ii) whether postsecondary graduates could be encouraged to submit voluntary information by allowing a graduate to access aggregated information about other graduates (such as graduates from the graduate's school, with the graduate's degree, or in the graduate's area) if the graduate completes an online questionnaire;

(iii) whether employers could be encouraged to submit information by allowing an employer to access aggregated information about graduates (such as institutions of higher education attended, degrees, or starting pay) if the employer completes an online questionnaire to evaluate the employer's satisfaction with the graduates the employer hires; and

(iv) whether postsecondary institutions that receive Federal funds or whose students have received Federal student financial aid could be required to submit aggregated information about the graduates of the institutions; and

(E) the best means of displaying employment information; and

(2) provide assessments and recommendations regarding—

(A) whether successful State cooperative relationships between higher education system offices and State agencies responsible for employment statistics can be encouraged and replicated in other States;

(B) whether there is value in collecting additional information from or about the employment experience of individuals who have recently completed a postsecondary educational program;

(C) what are the most promising ways of obtaining and displaying or disseminating such information;

(D) if a website is used for such information, whether the website should be run by a governmental agency or contracted out to an independent education or employment organization;

(E) whether a voluntary information system would work, both from the graduates' and employers' perspectives;

(F) the value of such information to future students, institutions, accrediting agencies or associations, policymakers, and employers, including how the information would be used and the practical applications of the information;

(G) whether the request for such information is duplicative of information that is already being collected; and

(H) whether the National Postsecondary Student Aid Survey conducted by the National Center for Education Statistics could be amended to collect such information.

(b) REPORTS.—

(1) PRELIMINARY REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit to Congress a preliminary report regarding the study, assessments, and recommendations described in subsection (a).

(2) FINAL REPORT.—Not later than 2 years after the date of enactment of this Act, the Comptroller General shall submit to Congress a final report regarding such study, assessments, and recommendations.

Mr. DEMINT. Mr. President, I am offering a very simple amendment today which I hope will get overwhelming bipartisan support. My amendment simply instructs the Government Accountability Office to complete a study regarding the employment of postsecondary education graduates.

As my colleagues know, we live in a global economy that is creating intense competitive pressure on our workforce. It is more important than ever that our Nation's students, employers, and policymakers have access to good information about the effectiveness of our higher education system as it relates to employment and job placement.

One of my favorite books, one I know many of my colleagues have read, is ''The World Is Flat'' by Thomas Friedman. According to Friedman, the convergence of advanced technology, the removal of economic and political obstructions, and the rapid introduction of millions of young professionals into the global economy have dramatically flattened the economic playing field. Friedman believes these changes are creating opportunities for people to tap their full potential, boost their prosperity, and live out their dreams. He believes that Americans with the knowledge, skills, and adaptability to compete in this newly flattened world can look forward to a bright future, while those without these skills will be left behind.

If our higher education system is going to equip our students with the skills they need to compete, we need to have good information on graduate job performance so other students can pick the best schools and the most promising degrees.

My amendment would instruct the GAO to study the feasibility of collecting information on the employment of students who complete a postsecondary education program. It would also instruct the GAO to provide Congress with recommendations on several important questions, including whether the current State programs that bring education and employment functions together can be replicated in other States; whether there is a value to collecting additional information about the employment of postsecondary graduates; the most promising ways of obtaining and disseminating this information; if a Web site is used, whether the Web site should be run by a Government agency or contracted out to an independent organization; whether a voluntary information system would work, both from the graduates' and employers' perspective; how the information could be used in practical ways; whether the requests for such information are duplicative of information already being collected or whether the National Postsecondary Student Aid Survey could be amended to collect such information. These are all important issues we must consider as we seek to expand information on the employment experiences of our Nation's college graduates.

Before I conclude, I wish to explain how powerful this information could be in making our Nation more competitive in the global economy. If students could see how graduates from specific schools and with specific degrees have performed in the workplace, they could make better choices of alternative colleges and universities. If employers could see how graduates of specific schools and with specific degrees performed, they could make better hiring decisions. If colleges and universities could see exactly how they are performing in equipping students for the workplace, they could make adjustments to better compete with other higher education institutions. Finally, if lawmakers could see exactly how our education system is performing, it would help us all make better policy decisions in this important area.

I thank the Senator from Wyoming, Mr. ENZI, for his interest in this issue and for the assistance he and his staff have provided me. I look forward to working with him and the Senator from Massachusetts to find ways to increase the availability of information we have that connects higher education and employment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. ENZI. Mr. President, I thank the Senator for his good work on this amendment.

The GAO study of the feasibility of collecting employment information on college graduates can help us find out how effective the program is before we have another reauthorization. Reliable information on student success, particularly employment success—that is our best measure—is very important to the future of higher education. The postsecondary education system needs facts at the State and institutional levels to identify successes and challenges, and consumers need the information to make informed decisions about education and training programs. Some States have pretty strong relationships between higher education and State agencies to get those employment statistics, but it is not done nationally. I think this would be a great step to providing that information and helping us to see how well we are doing, as well as the students.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I thank the Senator for what I think is an excellent suggestion. It is an excellent idea. Some years ago, when we had the consolidation of our work-training program, we had 16 work-training programs in 6 different agencies. Under the Kassebaum-Kennedy program, we tried to consolidate those. In those programs, we tried to do an assessment of training programs so someone coming will have the information that will be valuable to them—if they took X program for 8 weeks, what their possibilities of getting placed were and what the possibilities would be for their income and how that might grow over a period of time. That would give the various students, at that time, the information to know, with what options, what the future was going to be.

It also is helpful to us on our committee to know in what areas individuals are being trained. We have the responsibility in our committee to review where the vacancies are in our job markets and how we are going to deal

with those. The amendment of the Senator is going to take this to another level in terms of the postgraduate education.

I think we will have a chance, when this is achieved, to evaluate what our national needs are as a country and as an economy and whether we want to incentivize them. We can have that as a matter of public discussion and debate, as a Congress, in committees, so the American people understand what is going on in terms of graduate students. It will be enormously valuable and helpful.

We always have a debate and discussion about our doctors: Do we have too many specialists in some areas and don't have enough general practitioners in others? What have been the defining aspects that get them to go into those areas? That is a constant issue our committee is dealing with at any particular time in the reauthorization.

I think the amendment of the Senator will have the GAO come back and report. We look forward to working with the Senator when that comes back to try to get us greater information. It is a very solid amendment and a very useful one. I certainly recommend we accept it, for the reasons I have outlined briefly and for the reasons the Senator has explained.

If the Senator is ready for a vote on that?

Mr. DEMINT. Yes. A voice vote will be fine.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 2367) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote.

Mr. ENZI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, we thank the Senator. We have made good progress this morning on two very useful and important amendments. As we pointed out during the discussion and debate at the end of last week, we are in an extremely fortunate position. We thank the leadership, and I thank Senator ENZI for his persistence, insisting that we deal with the authorization at a time when we are going to deal with the student assistance program. They should be considered together.

We are grateful to the leadership for giving us the opportunity today to have a good chance to consider some ideas—as we have earlier this morning—some good ideas on the higher education legislation. This legislation is long overdue, and it is appropriate that we address it. We thank all of our colleagues for their cooperation.

Hopefully, we will have a conclusion of this legislation after we have the consideration of some amendments. I have gone through a number of amendments. They are very solid and helpful and useful to the purpose and thrust of this legislation. We will have a chance to continue the good progress we have made earlier.

I did wish to say a word generally about the legislation and highlight some of the provisions. I start off by again thanking my friend and colleague from Wyoming for his very strong work in this area. As I mentioned last week, our committee basically spent a great deal of time on this reauthorization. The legislation we have here today—with the exception, probably, of the provisions we have added on the student loans and perhaps one or two other important issues—is very much the legislation that would have come through our committee under his leadership.

We have worked in a very important tradition and we want to try to maintain that tradition of strong bipartisanship. We have tried to keep this free from some of the other kinds of issues people feel strongly about here on the floor of the Senate because I think both of us understand that the education of the young people of this country is such an overwhelming issue for so many families that we want to try to meet our responsibilities to them and do it in a timely and thoughtful way.

That has been the tradition, certainly marks the tradition of this particular reauthorization legislation. This is a place, I say, to join with members of our committee. Again, we have—I think the Senator from Wyoming would agree—a committee that spends a great deal of time on education issues. Whenever we have a markup, we have a very well-informed discussion and debate.

There has been an enormous accumulation of knowledge—and always of concern—by the members of our committee for these higher education bills; people who have spent a good deal of time on the education issue, Republicans and Democrats alike. We have wide diversity of our committee, urban areas, rural areas, and we have tried to respond to those kinds of needs. But this reauthorization is extremely important.

Leading to the creation of the Higher Education Act back in 1965, President Kennedy said:

> Our progress as a Nation can be no swifter than our progress in education, our requirements for world leadership, our hopes for economic growth, and the demands of citizenship itself in an era such as this all require the maximum development of every young American's capacity. The human mind is our fundamental resource.

Those words rang true then, and they ring true today, as our country is once again in a time of war and conflict and faces great economic challenges. Equal access to higher education touches every aspect of American life. In order to compete effectively in the global economy and ensure a well-qualified Armed Forces, we need to equip all our citizens with the sound education from prekindergarten to college.

Each year, 400,000 students do not go on to a 4-year college simply because they cannot afford to do so.

Equally devastating—this is the 400,000—it shows that some 400,000 talented students, these are qualified students, students that effectively have the qualifications to gain entrance into institutions of higher learning, by and large; it is because of the lack of financial help and assistance that they do not attend a college.

As we have seen during the debate and discussion at the end of last week, we need to make a very strong downpayment to provide help and assistance to students and graduates, such as through loan forgiveness, so that if they go into public service, which so many of them want to, we provide a forgiveness program for them that will make a large difference.

As I mentioned last week, a key element that is going to help those 400,000 is the work that has been done by the chairman and Senator REED to make the FAFSA application a good deal simpler. As we have time through the afternoon, if others may wish to address the Senate, I will spend a little time going through the contrast between the two, and you will see the dramatic difference in the change we have had.

Secondly, our second chart shows the devastating, equally devastating, fact that 47 percent of low-income eight graders will be academically—only 47 percent—will be academically prepared for college at the time of high school graduation, compared to 86 percent of their higher income peers. This is, again, an issue we talked about briefly last week, the growing apart of America.

Education is the key. We do not want to have an education system that is going to help America grow apart. We have made every effort in this legislation to address that broader kind of issue. We are a better nation than that. We are a nation that believes in promise and opportunity for all our citizens.

This bill expired in 2003. It was last updated in 1998. We cannot afford to wait any longer to reaffirm our commitment to higher education in this country and create a framework so our students are prepared to meet the challenges of this new economy.

I am immensely pleased, and I know our committee members are, that we were able to swiftly move to this bill after the passage of the Higher Education Access Act last Thursday. Together, they make up the comprehensive higher education package.

Again, I thank my friend and colleague, Senator ENZI, for the strong support in both of these parts of our education program and for considering them in tandem.

The bill we passed last week includes several critical features, provisions to help make college affordable. We mentioned those during the debate. But it is important again to recognize the need-based grant aid; a significant increase in the maximum Pell grant; the

repayment provisions that cap loan payments at 15 percent of monthly discretionary income; the loan forgiveness if individuals go into public service jobs; the protection for working students so those who are working, trying to put themselves through school, are not going to earn so much it will make them ineligible for student assistance programs; and the other protections we have provided for, such as those on active duty, which are Senator MURRAY's provisions.

There is no doubt the student aid in the Access Act is the single most important thing we can do to increase access for college-ready, low-income students. But it is also our responsibility to ensure the multibillion dollar investment of taxpayers we make to student aid is delivered in the most effective and efficient way possible.

This authorization bill will take steps to ensure the greatest return on this investment by addressing rising college costs, reforming the student loan system so it works for students not banks, simplifying the Federal aid application process, strengthening the college preparation programs such as GEAR UP and TRIO and promoting high-quality and effective teacher preparation programs.

As we provide more aid to students, this bill recognizes that colleges need to do their part to keep college costs down. Costs for college have more than tripled in the last twenty years, as this chart shows. Every middle-income family, who has a child in school or college knows this better than the charts can portray.

The costs have effectively tripled over the last 20 years. So the higher education amendments for 2007 will hold colleges accountable for skyrocketing college costs by creating nationwide watch lists of colleges whose costs are increasing at a rate greater than their peers and by encouraging the Department of Education and colleges to publish more consumer-friendly information about college costs and programs.

To ensure this aid is directed to students, its intended beneficiaries, we must keep them informed about choices and hold colleges and lenders accountable for getting the students the best loan deal possible.

The investigation by New York Attorney General Cuomo and other States and our committee have found many lenders are entering into sweetheart deals with colleges. Some lenders offer gifts to college employees in order to secure their student loan business. We have documented how lenders who participated in the Federal student loan program offer educational conferences, luxury hotels, free entertainment, free tickets to sporting events to college officials in order to entice those officials to recommend the lenders to their students.

Our legislation makes these practices illegal and protects students by ensuring that when a college recommends a lender, it is based on the best interests of students and nothing else. To ensure that students have access to the Federal financial aid they are eligible for, we simplify the financial aid process for all students by reforming the application for Federal student aid.

As you can see, the form is currently 10 pages long and includes more than 100 questions. This chart shows—the people who are watching cannot read the individual lines—but this is 10 pages long. Even up close it is difficult to read the questions. But it is enough to intimidate and inhibit many of the young people from moving ahead with this program.

As I mentioned, thanks to Senator ENZI and REED, this bill dramatically simplifies the FAFSA and examines how we can streamline it further in the future. Our bill will make the financial aid process more student friendly by immediately creating a 2-page form, what we call EZ FAFSA, for low-income students and phasing out the current long paper process. It will also create a pilot program to let students know how they can access Federal aid for college earlier by allowing students to receive an aid determination or estimate in junior high school so they can gain the information about whether they have a real opportunity to go on, to continue on to college, and get the information in an easy to understand and timely way. That is the purpose of this particular effort.

Ensuring access to adequate grant aid is one component of solving the college access crisis. We must also ensure more students are graduating from high school ready to succeed in college. In 2001, colleges required a third of all freshmen to take remedial courses in reading, writing or math.

Because so many high school students are not learning the basic skills to succeed in college or work, the Nation loses more than $3.7 billion a year. This figure includes the $1.4 billion to provide the remedial education of students who recently completed high school.

In addition, this figure factors in the almost $2.3 billion the economy loses because remedial students are more likely to drop out of college without a degree, therefore reducing their earning potential.

This is extremely important. That brings us to the work our committee is attempting on the No Child Left Behind Act. The target of that is the lower grades and high school, but we are interested in trying to find a seamless web, so that we're coordinating with Head Start, with kindergarten, coordinating with No Child Left Behind, coordinating with the colleges and universities.

We understand this ought to be a seamless web, so to speak. It is not, at the present time, and we are committed to trying to do it. If we have these kinds of gaps in the learning process for our students, we are certainly not serving them well.

This bill also includes provisions championed by Senator BROWN to maintain the strength of the TRIO and GEAR UP programs which provide underprivileged students with the support they need to go to college and graduate from college.

The Higher Education Act of 1965 established the National Teacher Corps, a federally funded Great Society program to develop our Nation's teaching force. This bill continues that tradition by promoting high-quality and effective preparation programs for new and prospective teachers. We are very committed to retaining high-quality teachers in high-need schools. This was of particular interest to Senator Nelson, Gaylord Nelson, who is deceased. He was very much involved in that program and it was very successful.

Finally, this bill will create a new student safety grant program to help colleges and universities improve their campus safety and emergency response systems. As the nightmare at Virginia Tech made us all too aware, tragedy can strike anywhere, include college campuses. We have important provisions in this area.

This legislation received unanimous bipartisan support in committee. I hope we will see that demonstrated today. One final point, when we are talking about the cost of colleges, we also encourage that states ensure students and families know what they're doing to support higher education. In a number of States, for example, my State of Massachusetts, in recent years, prior to the election of Deval Patrick, under a previous Governor, we saw substantial reductions of State help to colleges, and so the colleges have no alternative but to raise the fees on young people.

They didn't say these were increased taxes, but effectively they were for these young families. We had a dramatic reduction in terms of state appropriations for higher education recently. It is important for the American people to understand, are the States helping? Are they doing their fair share or is the fact that we are seeing an increase in particular States the result of State action? We want to make sure the public understands it and that we understand it as well. We are serious about trying to ensure that college education is affordable and accessible to everyone. This is not the final answer. We have a lot more work to do. But I would hope the students and their families and the education community would feel this is a very important and constructive step. It is reflected in a very important bipartisan effort on our part to make sure we are going to get help to the young people of this country so our Nation can be strong economically and can have the young people who will make sure that our great institutions are going to function to protect our values and our rights.

I yield the floor.

The PRESIDING OFFICER. Who yields time? If no one yields time, time will be charged equally.

Mr. KENNEDY. I suggest the absence of a quorum and ask unanimous consent that time under the quorum calls during consideration of S. 1642 be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2368

Mr. KENNEDY. Mr. President, I send to the desk an amendment by the Senator from California, Mrs. BOXER. I welcome the opportunity to offer it on her behalf.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY], for Mrs. BOXER, proposes an amendment numbered 2368.

Mr. KENNEDY. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend provisions relating to the upward bound program under section 402C of the Higher Education Act of 1965)

In section 403(c) of the Higher Education Amendments of 2007, add at the end the following:

(7) by adding at the end the following:

''(h) ADDITIONAL FUNDS.—

''(1) AUTHORIZATION.—There are authorized to be appropriated for the upward bound program under this chapter, in addition to any amounts appropriated under section 402A(g), $57,000,000 for each of the fiscal years 2008 through 2011 for the Secretary to carry out paragraph (2), except that any amounts that remain unexpended for such purpose for each of such fiscal years may be available for technical assistance and administration costs for the upward bound program under this chapter.

''(2) USE OF FUNDS.—

''(A) IN GENERAL.—The amounts made available by paragraph (1) for a fiscal year shall be available to provide assistance to applicants for an upward bound project under this chapter for such fiscal year that—

''(i) did not apply for assistance, or applied but did not receive assistance, under this section in fiscal year 2007; and

''(ii) receive a grant score above 70 on the applicant's application.

''(B) 4-YEAR GRANTS.—The assistance described in subparagraph (A) shall be made available in the form of 4-year grants.''.

Mr. KENNEDY. I yield myself the time on the amendment itself.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. The Boxer amendment is to provide additional funding—$57 million for Upward Bound Programs. Upward Bound Programs are special programs, formed by colleges, to help students who come from lower income families and who are first-generation college students, and who have capacity and capability to continue on to college. It has been enormously successful. What has happened is there are applications submitted by Upward Bound Programs in order to get a grant. Depending on a variety of different factors, those grants are either approved or not. They are scored and then either approved or not. The cutoff time at the present time is 92 percent.

The Boxer amendment, with an increased authorization which amounts to approximately $57 million, will amend the Upward Bound scoring to say that any quality program above 70 on the most recent grant cycle would be eligible to receive funding.

This is a valuable and worthwhile effort. I have a chart which shows what the results of the Upward Bound Program have been. Nearly 90 percent of Upward Bound students graduate from high school compared to only 68 percent of all low-income 18- to 24-year-olds. We have gone through other charts that showed, even if they graduated, those who will be qualified for college. Nearly 70 percent of Upward Bound students attend college compared to the lower rate of 54 percent for all low-income students. Fifty percent of Upward Bound students attend a 4-year college compared to other low-income students. Upward Bound students are four times more likely to earn an undergraduate degree than students from similar backgrounds. This shows what all of us believe, and that is, all students can learn. They may learn at a somewhat different pace or a different time, but they can learn.

What we have seen is for a number of different reasons, we find particularly that those who are from the lower income families are either discouraged or, because of the costs, because of the application, the system is skewed against them. We are seeing that education, rather than being a factor which is uniting our country, is adding to the disparity.

One of the most effective programs, of course, is the TRIO Program. Within the TRIO Program is the Upward Bound Program. So Members are very familiar with this program. We all have programs in our own States. I have many in my State—over 50 TRIO programs in Massachusetts. I have the list here, and there are programs in just about every single State. These programs are out there and are working and providing important opportunities for students.

So this is just an authorization, but it is an important one. It is targeting the group of students who need that extra help and assistance. It is remarkable that the schools and colleges are so involved in trying to help secondary school students. We have the GEAR UP program, which our good friend, Chaka Fattah from Philadelphia, was the architect of, working through universities. I know in the city of Boston many of the high schools are tied into the colleges that work with these students. It is a wonderful relationship. It is the way it should be.

These kinds of outreach programs try to help and assist many of those students who are the neediest and are facing a wide variety of different challenges, recognizing they, too, have dreams, hopes, and interests in terms of furthering their education. This is an extremely modest program, but one that is enormously valuable and has demonstrated, time and again, its success.

So, Mr. President, that is the Boxer amendment, and I do not believe there is objection to it.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, I want to voice my appreciation for the presentation that was just made to give people a fuller understanding of what this amendment does. I will make a couple of additional comments on it.

One of the problems that brings this particular amendment forward is the appropriators did not appropriate the money that would have provided for all of the people who got a score of 70 or above to receive a grant in fiscal year 2007. Perhaps that has to do with a lack of authorization or too low of an authorization. So this one is an authorization.

It is an interesting process we have around here. We have the budget process, which is where the President sends us a bunch of recommendations as to how he thinks we ought to spend money, and then we revise it sort of the way we want to spend money, except the real revision is only in the caps. That is what a budget is, it is how much total money we get to spend. Then we have an authorization process, where the committees are involved in the actual legislation for that area.

In this case, higher education comes under Health, Education, Labor, and Pensions, the HELP Committee. So we get to authorize, which says what we think ought to happen, kind of in a maximum sort of way. So this amendment does authorize additional funds that would meet the criteria.

I do have some small concern. It says this would allow for those to reapply who did not apply for assistance. This is a competitive grant situation. For whatever reason, they might not have applied. If they did not apply, for a competitive grant, you simply do not get it. But I suspect that is something I will either better understand or we can make a correction on at a later time. So I do not have any problem with taking this amendment.

I do want to emphasize that anybody who wants higher education ought to look at the programs that are available out there. One of the things we are trying to do is get more information to more people about what is available. We originally called it the TRIO Program because there were three programs that would help students—some in minorities, some in lower income situations. But we had three programs.

Now we are at eight programs, and we keep devising ways so more kids can get more education.

What we need, of course, is for the kids to take advantage of the programs that are out there. I certainly would not want to stifle a program by not authorizing this at this point in time. So I encourage us to accept this amendment by a voice vote.

I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to amendment No. 2368.

The amendment (No. 2368) was agreed to.

Mr. KENNEDY. Mr. President, I yield myself the remainder of the time on this amendment for use in the debate on the bill.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alaska is recognized.

Ms. MURKOWSKI. Mr. President, we know a college degree and a highly skilled labor force are the keys to increasing earnings and to Americans' competitiveness around the world.

When the Senate HELP Committee began work on the reauthorization of the Higher Education Act, my main priority at the time was to ensure that more students could access and afford college and job training.

Taken as a package, S. 1762—the Higher Education Access Act that we passed early Friday morning—and S. 1642—the Higher Education Amendments Act—that we are debating today—truly accomplish these goals and more.

Early Friday morning, the Senate increased the maximum Pell grant award to assist low-income students to go to college or to get job training. Then we added additional funding for the neediest of low-income students.

I am also very proud that we authorized and appropriated $226 million for the College Access Partnership Grant Program. This is a partnership between the Federal Government and the States to help more young Americans prepare for, apply to, and succeed in college.

We also did good work in the bill in protecting borrower benefits that are provided by State agency and nonprofit lenders.

In Alaska, we have a State agency lender that uses their special allowance payments, or their SAP payments, to reduce the loan interest rates to the lowest in the Nation. They provide outreach and college early awareness to middle and high school students. They provide need-based grants and other very important benefits.

Alaska's State agency, nonprofit lender, and others like it in States such as Wyoming, Tennessee, and North Carolina, are not plowing their SAP rate into their profit margin. I am gratified the Senate was able to recognize the good work the State of Alaska and many other States are doing.

Also in the legislation, we ensured that young Americans will not be saddled with unmanageable amounts of debt after they graduate.

It is these and other provisions in S. 1762 that go hand in hand with the bill we are debating today, and which I am hopeful we will see passage of by tonight.

This bill, S. 1642—the Higher Education Amendments of 2007—includes many important and beneficial provisions that will ensure that students, parents, and American taxpayers get the fairest deal, the best information, and truly the biggest bang for their buck.

This legislation makes the cost of college more transparent so parents and students can compare the costs of different colleges to determine which ones will most effectively and affordably meet their needs.

It places prohibitions on unauthorized entities using students' loan and grant information for marketing purposes. It provides fair, sensible, and rigorous ethics reform for financial aid administrators and lenders to ensure that the students receive the information they need to make decisions that will benefit them and not benefit unscrupulous lenders or postsecondary institutions.

Title II of the bill streamlines and strengthens Teacher Quality Enhancement grants to bring more accountability to university teacher training programs. It also directs the Secretary to further simplify the FAFSA the Free Application for Federal Student Aid. When we were talking on the floor last week about the FAFSA application, the Senator from Wyoming held up that eight-page application and demonstrated what it is the students are faced with when they take this on.

I am particularly proud of one provision that I worked to include in S. 1642. This provision makes it easier for servicemembers—particularly those in the lowest ranks—and their spouses to afford college.

I was in my State at Fort Richardson last winter, and I was visiting with some of the wives of the servicemen deployed to Iraq and Afghanistan. I asked them in this townhall meeting: What is it that I can do to help you as you wait for your loved one to return home? How can we make your lives better? We talked about quality-of-life initiatives. We talked about greater certainty with deployments. But one of the wives told me that during this time when her husband was deployed for 15 months, she was trying to take advantage of this time period to better herself by going on to college. She told me that one of the things keeping her from being able to afford to go to college was that the money the military pays to help offset a portion of their housing costs, which is counted toward their income, this allowance prevented her from being eligible for a Pell grant. Now, given the low rate of pay for many members of the military, particularly those in the lowest ranks, this is also a barrier for them in being able to take out student loans.

I soon found out from the National Military Families Association that many military spouses are in this same position. So when I came back to the Capitol, I worked to include language in S. 1642 that would exclude the cost of the basic allowance for housing for servicemembers living off base, as well as the value of on-base housing, from being included in calculations for financial need.

Excluding the basic allowance for housing—which, in the vast majority of cases, does not completely cover military families' housing costs—and the value of on-base housing will benefit the least well-paid members of our military and their spouses. These are privates, they are seamen's apprentices, lance corporals, airmen, and corporals whose base pay is less than $35,000 a year. As those who are deployed and serving our country, we can help the spouses who perhaps are here and looking to better themselves during this period of time as they wait for their loved ones to return home. This is a true benefit for them.

I could not be more proud to know that this strong woman whom I met last year and potentially thousands like her will have a better chance now of being able to attend college should we be successful in passing this legislation.

Overall, I believe we did a fine job in making college and job training more accessible and more affordable. I would like to thank my colleagues, especially Senator KENNEDY and Senator ENZI, for their generosity and their graciousness throughout this long process and their true dedication toward the goal of educating all of America's young people.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, if the Senator from Virginia will withhold, I wanted to thank the good Senator from Alaska. She has been a very active member of our committee. Besides her earlier amendment that was on income-based assistance to the students, she had a very worthwhile amendment that is going to make a big difference in her State and in all of our States in terms of making greater availability of information and outreach to students who are qualified to go to the schools and colleges but otherwise would not be able to because of lack of information and support. That was a key element. Also, she has been very much involved in the grant program which is included in this for science and technology.

She has been a very active member. We value very much her input and involvement in the legislation. We thank her for her comments.

Mr. ENZI. Mr. President, I, too, would like to thank her for her comments and her tremendous participation on the committee, particularly with her rural approach to problem-solving, and that rural approach affects Wyoming equally—well, maybe not equally to Alaska because they have a lot more land with a few more people—but she has done a tremendous job in the committee.

I yield up to 15 minutes to the Senator from Virginia for a presentation of his amendment.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

AMENDMENT NO. 2371

Mr. WARNER. Mr. President, I thank the Presiding Officer, and I wish to particularly thank the managers of this bill. In my 29 years here in the Senate, I have stood on the floor many times with Senator KENNEDY, but at this time, we are absolutely joined in this magnificent piece of legislation which I submit on behalf of Senator KERRY and Senator WEBB and many other Senators who have worked on it through the years.

To my good friend, Senator ENZI, I was once on his committee, the Senate Committee on Health, Education, Labor and Pensions (HELP), but as we move around here, I just couldn't get on the HELP Committee this time around.

I commend Senator ENZI and Senator KENNEDY and their staffs for their very hard work in preparation of this amendment, and my staff, senior member Angela Stewart. Over the weekend, I was traveling, as many of our colleagues were in our respective States, and she and I must have had at least six to eight telephone calls over the period of 2 days, just working out refinements and protocol with regard to this amendment. I think it is a representation of the Senate. No matter whether we are here on the floor or wherever we may be, we constantly are working on the legislative proposals that many of us have from time to time.

Again, I wish to draw attention to the title of this particular amendment. First, I send it to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER], for himself, Mr. KERRY, and Mr. WEBB, proposes an amendment numbered 2371.

Mr. WARNER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To establish a digital and wireless network technology program, and for other purposes)

At the end of title VIII of the bill, insert the following:

SEC. 802. MINORITY SERVING INSTITUTIONS FOR ADVANCED TECHNOLOGY AND EDUCATION.

At the end of title VIII (as added by section 801), add the following:

"PART N—MINORITY SERVING INSTITUTIONS FOR ADVANCED TECHNOLOGY AND EDUCATION

"SEC. 876. PURPOSES.

"The purposes of the program under this part are to—

"(1) strengthen the ability of eligible institutions to provide capacity for instruction in digital and wireless network technologies; and

"(2) strengthen the national digital and wireless infrastructure by increasing national investment in telecommunications and technology infrastructure at eligible institutions.

"SEC. 877. DEFINITION OF ELIGIBLE INSTITUTION.

"In this part, the term 'eligible institution' means an institution that is—

"(1) a historically Black college or university that is a part B institution, as defined in section 322;

"(2) a Hispanic-serving institution, as defined in section 502(a);

"(3) a Tribal College or University, as defined in section 316(b);

"(4) an Alaska Native-serving institution, as defined in section 317(b);

"(5) a Native Hawaiian-serving institution, as defined in section 317(b); or

"(6) an institution determined by the Secretary to have enrolled a substantial number of minority, low-income students during the previous academic year who received a Federal Pell Grant for that year.

"SEC. 878. MINORITY SERVING INSTITUTIONS FOR ADVANCED TECHNOLOGY AND EDUCATION.

"(a) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—The Secretary is authorized to award grants, on a competitive basis, to eligible institutions to enable the eligible institutions to carry out the activities described in subsection (d).

"(2) GRANT PERIOD.—The Secretary may award a grant to an eligible institution under this part for a period of not more than 5 years.

"(b) APPLICATION AND REVIEW PROCEDURE.—

"(1) IN GENERAL.—To be eligible to receive a grant under this part, an eligible institution shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require. The application shall include—

"(A) a program of activities for carrying out 1 or more of the purposes described in section 876; and

"(B) such other policies, procedures, and assurances as the Secretary may require by regulation.

"(2) REGULATIONS.—After consultation with appropriate individuals with expertise in technology and education, the Secretary shall establish a procedure by which to accept and review such applications and publish an announcement of such procedure, including a statement regarding the availability of funds, in the Federal Register.

"(3) APPLICATION REVIEW CRITERIA.—The application review criteria used by the Secretary for grants under this part shall include consideration of—

"(A) demonstrated need for assistance under this part; and

"(B) diversity among the types of eligible institutions receiving assistance under this part.

"(c) MATCHING REQUIREMENT.—

"(1) IN GENERAL.—An eligible institution that receives a grant under this part shall agree that, with respect to the costs to be incurred by the institution in carrying out the program for which the grant is awarded, such institution will make available (directly or through donations from public or private entities) non-Federal contributions in an amount equal to 25 percent of the amount of the grant awarded by the Secretary, or $500,000, whichever is the lesser amount.

"(2) WAIVER.—The Secretary shall waive the matching requirement for any eligible institution with no endowment, or an endowment that has a current dollar value as of the time of the application of less than $50,000,000.

"(d) USES OF FUNDS.—An eligible institution shall use a grant awarded under this part—

"(1) to acquire equipment, instrumentation, networking capability, hardware and software, digital network technology, wireless technology, and infrastructure;

"(2) to develop and provide educational services, including faculty development, related to science, technology, engineering, and mathematics;

"(3) to provide teacher preparation and professional development, library and media specialist training, and early childhood educator and teacher aide certification or licensure to individuals who seek to acquire or enhance technology skills in order to use technology in the classroom or instructional process to improve student achievement;

"(4) to form consortia or collaborative projects with a State, State educational agency, local educational agency, community-based organization, national nonprofit organization, or business, including a minority business, to provide education regarding technology in the classroom;

"(5) to provide professional development in science, technology, engineering, or mathematics to administrators and faculty of eligible institutions with institutional responsibility for technology education;

"(6) to provide capacity-building technical assistance to eligible institutions through remote technical support, technical assistance workshops, distance learning, new technologies, and other technological applications; and

"(7) to foster the use of information communications technology to increase scientific, technological, engineering, and mathematical instruction and research.

"(e) DATA COLLECTION.—An eligible institution that receives a grant under this part shall provide the Secretary with any relevant institutional statistical or demographic data requested by the Secretary.

"(f) INFORMATION DISSEMINATION.—The Secretary shall convene an annual meeting of eligible institutions receiving grants under this part for the purposes of—

"(1) fostering collaboration and capacity-building activities among eligible institutions; and

"(2) disseminating information and ideas generated by such meetings.

"(g) LIMITATION.—An eligible institution that receives a grant under this part that exceeds $2,500,000 shall not be eligible to receive another grant under this part until every other eligible institution that has applied for a grant under this part has received such a grant.

"SEC. 879. ANNUAL REPORT AND EVALUATION.

"(a) ANNUAL REPORT REQUIRED FROM RECIPIENTS.—Each eligible institution that receives a grant under this part shall provide an annual report to the Secretary on the eligible institution's use of the grant.

"(b) EVALUATION BY SECRETARY.—The Secretary shall—

"(1) review the reports provided under subsection (a) each year; and

''(2) evaluate the program authorized under this part on the basis of those reports every 2 years.

''(c) CONTENTS OF EVALUATION.—The Secretary, in the evaluation under subsection (b), shall—

''(1) describe the activities undertaken by the eligible institutions that receive grants under this part; and

''(2) assess the short-range and long-range impact of activities carried out under the grant on the students, faculty, and staff of the institutions.

''(d) REPORT TO CONGRESS.—Not later than 3 years after the date of enactment of the Higher Education Amendments of 2007, the Secretary shall submit a report on the program supported under this part to the authorizing committees that shall include such recommendations, including recommendations concerning the continuing need for Federal support of the program, as may be appropriate.

''SEC. 880. AUTHORIZATION OF APPROPRIATIONS.

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

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, it is entitled, ''Minority Serving Institutions for Advanced Technology and Education,'' amendment to S. 1642, The Higher Education Act Amendments of 2007.

I remember in the 1980s, traveling to several of the historically—and they referred to them as ''historically Black colleges'' in the Commonwealth of Virginia, I noticed the absence of so much infrastructure in these struggling institutions that other institutions often had in abundance. Having had an engineering background myself, at my old school, Washington Lee University, we had laboratories with an abundance of equipment and all types of high technology.

I suppose at that time the thoughts in my mind led toward this day, and it has been a long climb up the mountain—not by just this Senator from Virginia but by many, many Senators. I remember Senator Cleland was very interested in this, former Senator Cleland, Max Cleland of Georgia, and my colleague and former Senator George Allen of Virginia. Fortunately, today, with the two managers of this bill, the chairman and ranking member of this important committee, the HELP Committee, and with the help of many others and the primary cosponsor, the distinguished Senator from Massachusetts, Mr. KERRY, and my colleague from my State, Senator WEBB, we are here this afternoon to present this amendment.

I first ask unanimous consent that those Senators who desire to put in statements regarding this amendment of course may do so and that they be colocated in the RECORD following the introduction of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, it appears statistically that over 60 percent of the jobs in America, all across our land, require not only a basic knowledge but really an advanced skill in what we refer to as ''information technology.'' Jobs in this area, frankly, pay and command higher salaries. Today, as I said, many of the minority serving institutions—this covers a wide group of institutions which I will address later in my text, but the minority serving institutions simply lack the resources, the necessary capital, endowments, and all types of financing that go into these institutions to acquire the basic equipment, whether it is an actual computer itself, or the technology to hook it into systems, and they also need technology capabilities in their classrooms, dormitories and libraries. It is for that purpose we are asking the Senate today to support this bill to provide the sum of money for 5 consecutive years to form a competitive grant program so this wide range of institutions may compete for this pot of money and hopefully obtain it for their respective institutions.

We need to bridge—and I use the term the ''digital divide'' to help students who want to develop the skills necessary to succeed in a technology-based economy so that they can compete in today's modern world and take these jobs, which, incidentally, are badly needed in the workforce, and therefore get salary and perhaps a step up on the ladder of development of their career. This is definitely a bipartisan amendment and, as I said with the deepest sense of humility, many, many Senators have worked toward this day.

Specifically, the legislation will establish, as I said, a grant program for these institutions of higher learning to bring increased access to computers, technology, and the Internet to their student populations. Institutions can use funds to acquire equipment, instrumentation, networking capability, hardware and software, digital network technology, wireless technology, and infrastructure to develop and provide these educational services. In addition, the grants can be used for such activities as campus wiring, equipment upgrades, and technology training. Finally, Minority Serving Institutions could use these funds to offer their students universal access to campus networks, thereby increasing connectivity and making infrastructure improvements.

Moreover, much has been said in this education debate about the importance of math and science education. I remember well, I and other Senators 2 years ago were authors of the SMART grant program, which provides stipends to economically disadvantaged students in their third and fourth year of college or university training who elect to study critical majors in math, science, and engineering and key foreign languages. We must now begin to encourage and provide for those students who want to start earlier than their third and fourth year and begin to enter and study these critical fields, not only of math and science but of high tech.

I point out, I remember very well when I came out of the Navy at the end of World War II, I had the GI bill, and I went to my university—a small one—and they had a very small engineering department at that time. The engineering department is now gone because it couldn't take the competition of larger schools. But I remember so well we would go into the laboratories in the afternoon and spend long hours. We didn't have any air-conditioning, so we opened the windows, obviously. You could hear the other students out on the playing fields enjoying all kinds of sports and other things while we were there laboring over the laboratory requirements. Then, at night, of course, we all had the obligatory homework. It seems to me that those of us who were in the high-tech and the math—I was a math major and physics major—we would spend endless, long hours on our homework.

I bring that up not to in any way eulogize myself and my career but simply to say that those students who want to dedicate that extra time to study in the high-tech world—and it does require extra time, thereby giving up some of the pleasures in life—we ought to have the proper equipment available for all of them.

The National Science Foundation reports that the percentage of bachelor's degrees in science and engineering across America has been declining. Many a time I and other Members of this body have pointed out how America is falling behind, particularly with reference to India and to China, as such a higher percentage of their university graduates are following the high-tech careers. So let's give a leg-up to those young people who want to devote that extra time, that extra motivation in their studies for these specialties in math, science, and technology.

This amendment also addresses the shortage of qualified professionals that teach courses in these areas. You simply have to have not only the hardware within the institution but knowledgeable teachers and professors, and this amendment provides an inducement for their training.

As I said, I am proud to say that my great State is home to six institutions that qualify for this grant program. Throughout the years that I have been in the Senate, they have proudly been referred to as Historically Black Colleges and Universities, known as the HBCUs: Norfolk State University, St. Paul's College, Virginia University of Lynchburg, Virginia Union University, Hampton University, and Virginia State University. Right now, at this point, I thank all of the faculty and presidents of those institutions and administrators who through these many years, year after year, have come into my office pleading for this modest program to help them put in the infrastructure and gain the teaching faculty to help the students who want to pursue these careers in science, math, and technology. Likewise, all across America, Minority Serving Institutions will

qualify for this grant program. There are over 200 Hispanic-Serving Institutions, over 100 Historically Black Colleges outside of Virginia, and over 30 Tribal Colleges throughout the United States. In addition, Alaska Native-serving institutions and Native Hawaiian-serving institutions are also eligible for these grants.

In the mid-1980s, on the campus of St. Paul's, my first thoughts regarding the growing disparity between Historically Black Colleges and other institutions of higher education with respect to the infrastructure began leading up to this day.

This Senate has addressed similar pieces of legislation in the past year. In 2003, a similar bill passed in the Senate with a roll call vote of 97 to 0. In 2005, a similar bill passed in the Senate by Unanimous Consent. So I am pleased today, together with Senator KERRY and Senator WEBB, to offer this not only on behalf of ourselves, but the many Senators who through the years—some who have now retired—have worked hard on this legislation.

Again, I salute the faculty and presidents, and so forth, at these institutions and, most particularly, I salute the students who are ready and willing to seize the opportunity that this bill will provide to advance their intellectual skills to meet the requirements of today's workforce, so that America can be competitive.

I yield the floor.

Mr. KENNEDY. Mr. President, I thank my friend from Virginia, Senator WARNER, for his excellent presentation, and also for reminding us about the importance of math and science and technology and engineering. As a member of the Armed Services Committee, I think his involvement and focus on this is also enormously important because he understands that education is not only a value to the individual, not only a value to our economy, but it is an essential aspect in terms of our national security. I have talked with him frequently about the National Defense Education Act that made such a difference in terms of availability. That was after Sputnik in the late 1950s, when the country came together and passed the National Defense Education Act. Still, some of those individuals are in key positions today in both private and public sectors. They are individuals who took advantage of that.

In the Defense authorization, Senator COLLINS and I had spoken to the Senator when he was chairman of the Armed Services Committee. We have the small program that is directly focused on math, science, engineering, and technology that he included in legislation in the past. We have a number of enormously interested young people who are taking advantage of those scholarships. We remember the amendments the Senator offered on the reconciliation that he referenced here previously. So this is an area that he has shown enormous interest in and concern about. We are enormously grateful for his intervention.

As the Senator knows, we passed the COMPETE Act earlier this year. In that COMPETE Act there are provisions to assist these minority institutions. Quite frankly, there are a lot of other priorities in that COMPETE Act. I think the fact that the Senator has given us this legislation and this focus is incredibly helpful to us. I thank the Senator for all of his efforts. It is no surprise to me that my colleague and friend from Massachusetts, Senator KERRY, is your strong cosponsor because I have talked with him about this subject matter on many occasions.

I just draw the attention of the Senator to this chart, which I think makes the point the Senator pointed out. The bill provides resources for institutions to build capacity, develop facilities, and improve instruction; expands opportunities for institutions to serve more low- and middle-income students; supports greater financial literacy and strengthens the focus on studies in the STEM fields.

That is a pretty good summation of what the Senator is trying to do. I think it is enormously important that this legislation be included. Senator KERRY is very interested in this, as well as Senator WEBB. I thank all of you for giving this focus and attention. This is a very important undertaking, very important legislation. I am grateful the Senator has taken the time to bring this to our attention.

Mr. WARNER. Mr. President, I thank my friend who has worked with me for these 29 years. Following Senator ENZI, I wonder if I may have 2 minutes on one other point.

Mr. ENZI. Yes. Mr. President, I congratulate the Senator, Mr. WARNER, for his tremendous effort, and not just on this bill but on the previous bills where his emphasis on science, technology, engineering, and math, has resulted in other grants that are available to students. We need to increase awareness among students of these opportunities, particularly in the lower grades, so they have the prerequisites they need to qualify for going to college. The Senator's emphasis on that has had tremendous effect on higher education and on the work we have done before.

I also thank the Senator for the comments he made about his staff working through the weekend and ours working through the weekend. This is not a 9-to-5 job around here. People don't realize the amount of dedication our staffs have. As I say, they work through the weekend for these students. It happened to be a beautiful weekend in Washington, and they were indoors making telephone calls and making sure that everything works precisely right so we can pass this amendment today. I think we would be willing to take it on a voice vote.

This will provide up-to-date technology, which is vitally important. Everything is operating off of technology today. And I especially appreciate the concern for and emphasis on minority-serving institutions having this opportunity. There is a disadvantage there, and we want to equalize that. The Senator has caught the essence of that and has the solution for it. I congratulate him. It will strengthen the national and digital and wireless infrastructure. That helps all of us because it increases national investment in that area and makes us all more communicative and to also have a greater ability for education.

I thank the Senator.

Mr. WARNER. Mr. President, I thank the Senator for the kind remarks of the Senators. Mr. President, I will just tell a short story. Senator KENNEDY mentioned the importance of this to the Armed Forces to have a pool of trained individuals to join the military today. I would like to contrast it to an early experience I had in life. In the winter of 1945, the war was raging in Europe—although it ended in May, it was still going on, as was the war in the Pacific. Like everybody else on my block, all students who were 17 and 18, we all joined the military. I don't claim to have a military career of any great consequence, but I will never forget the first night. We had been on a small train that stopped in stations all across the east coast picking up a dozen or two 17- and 18-year-olds on the train. It was cold as the dickens, and the train was chugging its way up to the Great Lakes.

We arrived at 2 or 3 in the morning. We were tired, cold, and huddled into a great big room. A petty officer, who was quite rotund, got up on a little platform and screamed at us, ''All you guys who can't read and write raise your hands.'' I had the benefit of a wonderful education in high school. I almost flipped out. I did not realize, really, that many people didn't have the basic skills that I had been given.

Then the petty officer said, ''All you smart so-and-sos fill out the forms for the others.'' About 20, 25 percent of the fellows came out of the coal mines and steel mills of Pennsylvania and up through the valley, where the train went picking up these guys. So we filled out the forms.

I want to say that those men had very short training once we got to the Great Lakes. The rest of us were shunted aside for technical schools. Within 90 days, they went aboard ships and right into the battle.

On those ships in those days there were dozens of jobs that persons who could not read and write could perform, and perform very well. In no way do I denigrate their abilities to fight, as they did bravely in World War II—those who could not read and write. Today's ship in the U.S. Navy—take a destroyer. The destroyers today are considerably larger than the destroyers of the past. But the crews are dramatically reduced in number, which means that every one of those naval persons today has to have high-tech skills. It is true also in the Army and Marine Corps.

When you visit Iraq and see the troops there, as most of us have, they are all working with high-tech equipment. There is no place available today in the military for one who is not skilled in high-tech work. So it is a changed society, albeit my story dates back more than a half century. They were fighters then, but in today's military we access those in the military with high school equivalent. The ones who show a technical proficiency are immediately moved into advanced technical courses.

So this legislation is laying the foundation for those in these institutions who so desire to join the U.S. military, and they will arrive on the first day not requiring a fellow soldier, sailor, airman, or marine to fill out their form. They are all smart and able to work with the high-tech equipment.

I yield the floor.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the Warner amendment.

The amendment (No. 2371) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote.

Mr. ENZI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. I suggest the absence of a quorum and ask that the time be charged to the Warner amendment.

The PRESIDING OFFICER (Mr. WHITEHOUSE). Without objection, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that the remarks I will make be charged against the bill rather than the Warner amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, Benjamin Franklin said:

> Genius without education is like silver in the mine.

What he was saying is that silver still in the rock, in the ore, is worthless until it is mined, taken out of the rock. It is the same with education. Genius without education is akin to silver in a mine.

We have, I am sure, a lot of geniuses who have not been educated, and that is too bad. That is what this legislation is all about. It is unquestioned that a college education is the single greatest weight on the scales of success. Yet today, more and more working-class Americans are shut out from the promise and opportunity of a college education because the price is out of their reach.

Last week, we took a significant step to restoring that promise to hundreds of thousands of American students by passing the bipartisan Higher Education Access Act. It should not go unnoticed that the $17 billion in new student aid and benefits represents the largest increase in college assistance since Congress passed the GI Bill of Rights more than 50 years ago.

The bill we passed last week did this in a comprehensive way by increasing grant aid, expanding the number of students eligible for Federal aid, making loan debt more manageable, and expanding loan forgiveness options for those professions that we all recognize are important to society—teaching, social work, law enforcement, and health care.

Today, in considering the higher education amendments, we authorize remaining programs and funding in the Higher Education Act. This bill is not weeks overdue or months overdue, it is years overdue.

First, this legislation addresses the recent student loan scandals. With provisions in the bill—increased disclosure requirements, prohibiting payments and gifts from lenders to colleges and financial aid administrators, and new restrictions on preferred lender lists—we are finally putting an end to these unacceptable practices and making sure the student loan system works in the interests of our students.

As importantly, we tackle the rising costs of college. Despite the billions in new student aid and benefits in the bill we passed last week, if college costs continue to rise at the rate they have been—tripling over the past 20 years—higher education will continue to remain further and further out of reach for too many Americans.

I am pleased to support this legislation. I am also pleased students in Nevada have the good fortune of a State university system with some of the lowest costs in the Nation. But the same is not true everywhere, and this bill will hold colleges accountable if their costs increase too dramatically. It also ensures students and parents have information they need to make objective decisions based on the cost of college.

Finally, the bill phases out the unnecessarily complicated Federal financial aid form which is currently 7 pages long—and probably more complicated than filing out a tax return—with a much simpler 2-page form.

Again, thanks to Senators KENNEDY and ENZI for the work they have done and the rest of the HELP Committee for their work in the formulation of this bill which, when combined with their efforts last week, reaffirms our commitment to making higher education affordable and accessible to America's students.

Mr. KENNEDY. Mr. President, I say to the majority leader, we thank him so much for scheduling this legislation, both the underlying legislation we passed last week, which will make a difference to students, and the authorization. I know my friend and colleague from Wyoming, as well as others, knows we saw this authorization expire some 3 years ago. So this is long overdue.

The idea that we passed both these pieces of legislation together is going to make a major difference, not only to the students, about whom we are primarily concerned, and to their families but also to the colleges and universities and to all the other entities in the educational community.

We are moving along with these amendments. We are very thankful for all the cooperation we have received this afternoon. Hopefully, we are able to conclude this bill either late tonight or tomorrow. This will be a very significant and important time in terms of educational policy for our country.

I thank the leader very much.

Mr. REID. Mr. President, if I may say to my friend, the distinguished Senator from Massachusetts, and my friend from Wyoming, we did not have time to do this legislation, but we had to take time to do this legislation. This is an example of how committees working together can get work done. Committees do a lot of work, but much of what comes out of the committees is done on a partisan basis. Democrats vote for it, Republicans vote against it. Frankly, we cannot get those bills to the floor. We cannot get them done.

I repeat, we did not have time to do this legislation. We have so much to do. We have appropriations bills we need to do. As soon as we finish this bill, we are going to move to Homeland Security appropriations, which is essential. SCHIP legislation, we have to do that. We have to do the conference report on the 9/11 Commission recommendations. We have to complete the work we have done and gone so far down the road on ethics and lobbying reform.

This is an example, and I say this to all committees, to work together such as these two men have worked together and we can get things done. That is how we were able to get the Energy bill passed earlier. We took those provisions from the Energy Committee, the Environment and Public Works Committee, and the Commerce Committee, on which there was unanimity, everyone agreed. I took those provisions and put them in a package, and that was the bill we passed in the Senate.

I appreciate Senator KENNEDY mentioning my name, but the work was done by this committee last week and arriving at the point where we can have this legislation completed today. This is important legislation.

I heard Senator WARNER on the floor today talking about when he went in the military. They had those who couldn't read or write during World War II raise their hand. Twenty-five percent of the people on the ship could not read or write. We don't have that situation today. But we do have a situation where there are many people, such as the example I gave, who have the intellect to have a college education and simply cannot do it. It is as

Benjamin Franklin said, when the silver is still in the mine, it doesn't help anybody. When we have the people who have the ability to be educated who cannot be educated, it doesn't speak well of our country.

We have to continue down that road of educating our students, and this legislation, tied in with what we did last week, is a giant step forward.

I again express my appreciation to Senators KENNEDY and ENZI and the members of the committee for allowing us to get to the point where we have time to do a bill that we don't have time to do.

Mr. KENNEDY. Mr. President, the Senator from Hawaii was on the floor a moment ago. We are expecting his amendment.

The PRESIDING OFFICER. The Senator from Hawaii.

AMENDMENT NO. 2372

Mr. AKAKA. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. AKAKA] proposes an amendment numbered 2372.

Mr. AKAKA. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To include Native Hawaiians as groups underrepresented in graduate education for purposes of the Ronald E. McNair postbaccalaureate achievement program)

At the end of section 403, add the following:

(i) ADDITIONAL AMENDMENT TO POSTBACCALAUREATE ACHIEVEMENT PROGRAM.—Section 402E(d)(2) (as redesignated by subsection (e)(2)) (20 U.S.C. 1070a–15(d)(2)) is further amended by inserting '', including Native Hawaiians, as defined in section 7207 of the Elementary and Secondary Education Act of 1965, and Pacific Islanders'' after ''graduate education''.

Mr. AKAKA. Mr. President, I yield myself 15 minutes.

In our United States, Native Hawaiians and other Pacific Islanders are far less likely than the average American to earn a bachelor's or graduate degree. This makes Native Hawaiians and other Pacific Islanders drastically underrepresented in higher education. Unfortunately, Pacific Islanders are left with fewer opportunities to lift themselves out of underrepresentation because, unlike African Americans, unlike American Indians, unlike Alaska Natives, and unlike Hispanics, Native Hawaiians and Pacific Islanders have been largely excluded from programs such as the McNair Achievement Program based on a determination that they are not an underrepresented group.

The McNair program is designed to prepare young men and women from disadvantaged backgrounds who have demonstrated strong academic potential for doctoral studies through involvement in research and other scholarly activities. However, until the underrepresentation of Native Hawaiians and Pacific Islanders is addressed, the promise of the McNair program to help the underrepresented achieve their dreams of higher education will remain only partially fulfilled.

According to a study conducted by the Pacific Islander Access project, Native Hawaiian and other Pacific Islanders have difficulty gaining access to programs for underrepresented minorities in higher education, such as the McNair Program. In fact, the study reported that more than 80 percent of these scholarship programs did not recognize Native Hawaiians and other Pacific Islanders as underrepresented. This is due, in part, to a misconception that Native Hawaiians and other Pacific Islanders are not a distinct group but are, instead, an Asian subgroup. This misconception is, to a large extent, rooted in the Federal Government's policy from 1977 to 1997 to lump Asians and Pacific Islanders into one category. Fortunately, in 1997, this Federal policy was changed to recognize that Pacific Islanders and Asians are separate and distinct groups. However, many programs, including the McNair Program, have yet to catch up with this Federal policy.

It is to our Nation's credit that we have developed programs such as the McNair Program in response to the needs of our country's minority students, and my amendment in no way excludes other underrepresented groups. Rather, this amendment simply ensures that Native-Hawaiian and other Pacific-Islander students are also allowed full access to the opportunities afforded the McNair Program, which has opened the door to an advanced degree for so many in our Nation.

I urge my colleagues to support this amendment and help young Native Hawaiians and other Pacific Islanders achieve their potential.

I wish to thank the chairman for his zealous attitude in which he has tried to help all those in the United States who need help in education, and I commend him for that.

Mr. President, I yield the floor.

Mr. KENNEDY. Mr. President, I wish to thank my friend from Hawaii for bringing this to our attention, this situation which works to the disadvantage of Pacific Islanders and specifically Native Hawaiians. He quite appropriately points out that other groups are included as underserved populations but the Native Hawaiians are not and the Pacific Islanders are not. In many respects, the fact that they are not able to participate in these programs works to the disadvantage of the population generally from being included in terms of the life of not only their communities but the communities of our country. All his amendment does is to make sure they are going to be included in this program.

What is this program? This program is really a helping hand to those students who are going on to college—in this case, it would be the Hawaiians and the Pacific Islanders—a helping hand in counseling, giving guidance to these students so that they might participate in these other programs which offer real hope in terms of technology in the future. Effectively, his amendment says that Pacific Islanders and Native Hawaiians will be included so as to qualify for these programs in ways that mean students, who otherwise would be excluded from getting counseling—the helping hand—could continue for graduate degrees. It seems to me they should be included, and the amendment makes a good deal of sense.

For those reasons and the excellent reasons the Senator mentioned earlier, I thank him for bringing this to our attention. I must say, I was not aware those groups had been excluded, quite frankly, from the program. I don't know how this originally happened, but we always learn a good deal from our colleagues here in the Senate, and we have learned a good deal about this issue today. As always, the Senator from Hawaii is out front when it comes to issues on education and opportunity for Native Hawaiians and for Pacific Islanders, and we are very grateful to him for bringing this to our attention.

Hopefully, we will accept this and make sure it is a part of the legislation.

Mr. ENZI. Mr. President, I, too, wish to thank Senator AKAKA for bringing this to our attention. That is one of the reasons we have 100 people in the Senate and 435 people on the House side, so that we bring all these various backgrounds together, so that something which may have been overlooked can be corrected, and the amendment process is one of the places where we correct that.

As Senator AKAKA has said, this amendment would provide Native Hawaiians and Pacific Islanders with eligibility for the Ronald McNair Post-Baccalaureate Achievement Program, and that is a program which provides assistance to disadvantaged students who are pursuing doctoral degrees. The students in the McNair Program get research opportunities, they get seminars, they get summer internships, they get tutoring and academic counseling, and they get assistance in securing graduate admission and financial aid mentoring. Those are all things, of course, which increase the probability and the possibility that a person will get their doctoral degree.

I am sure it wasn't anyone's intention to leave these groups out, so this amendment, of course, would include the Native Hawaiians to the list of students eligible for this program. So, in his usual way of taking a careful look at things, I appreciate his doing this and enjoy all the times we have worked together on financial literacy.

I think there is still someone taking a look at the exact wording on this, so hopefully we can get that done and get to a voice vote a little later.

Mr. KENNEDY. Mr. President, will the Senator yield for a question?

Am I correct in understanding that Senator AKAKA was a principal in an elementary school.

Mr. AKAKA. That is true. I was a principal in an elementary school.

Mr. KENNEDY. In an elementary school.

Mr. AKAKA. Yes.

Mr. KENNEDY. How many years were you a principal in an elementary school?

Mr. AKAKA. I was a principal for 6 years, before I was moved into the Governor's office.

Mr. KENNEDY. Good. Well, I thank the Senator.

Senator AKAKA brings many different qualities to his service, but the fact that he was a principal in an elementary school reflects that he understands the importance of education, and he knows this community.

It gives us additional information to understand his strong commitment in this area of opportunity for Pacific Islanders and for Native Hawaiians.

I think, Mr. President, we will hold up, but I expect we will pass this amendment in a short while. So I think at this time we are just going to hold, if we could.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, the time will be charged to the amendment.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ENZI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ENZI. Mr. President, I ask unanimous consent that we set aside the pending amendment so that we can proceed to another amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2373

Mr. ENZI. Mr. President, I send to the desk an amendment by Senator BURR.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Wyoming [Mr. ENZI], for Mr. BURR, proposes an amendment numbered 2373.

Mr. ENZI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend provisions relating to the study group regarding simplifying the process of applying for Federal financial aid)

Strike lines 14 through 23 on page 814 and insert the following:

''(1) FORMATION OF STUDY GROUP.—Not later than 90 days after the date of enactment of the Higher Education Amendments of 2007, the Comptroller General of the United States and the Secretary of Education shall convene a study group whose membership shall include the Secretary of the Treasury, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, representatives of institutions of higher education with expertise in Federal and State financial aid assistance, State chief executive officers of higher education with a demonstrated commitment to simplifying the FAFSA, and such other individuals as the Comptroller General and the Secretary of Education may designate.

Strike line 22 on page 821 and all that follows through line 2 on page 822 and insert the following:

''(7) REPORT.—Not later than 1 year after the date of enactment of the Higher Education Amendments of 2007, the Comptroller General and the Secretary shall prepare and submit a report on the results of the study required under this subsection to the authorizing committees.''.

Mr. ENZI. Mr. President, Federal student aid is a tangled web of tax, grant, loan, and savings programs with rules and regulations that are so complicated, many prospective students don't know that they really can afford to go to college. Families have to fight their way through a maze of paperwork. We have talked about this several times, the difficulty of the present financial aid form. Nearly 10 million prospective aid recipients must file that form each year, and submitting the form is the only way for families to determine their eligibility for Federal grants and loans.

The free application for federal financial aid is longer and more complicated than a Federal tax form. It has 5 pages and 127 questions, so it is longer than the form 1040EZ, which is 1 page and 37 questions for filing your taxes, or the form 1040A, which is 2 pages and 83 questions. It is comparable to the form 1040, with 2 pages and 118 questions. The contrast between the tax forms and the financial aid forms is especially informative. With a third of the financial aid form questions and a fifth of its pages, the IRS captures the information needed to determine tax liability for the very population targeted by the Pell grant.

Financial aid officers and education specialists typically explain that the complexity of the form is a necessary evil, without which we could not target aid to students with the greatest need. The FAFSA, financial aid form, is long, it is argued, so that it can precisely measure who most needs aid. However, a few economists have recently completed research that measured empirically how much complexity in the current aid system contributes to its targeting. They found this complexity adds very little to the targeting of aid to those who most need it. Only a handful of questions on the FAFSA determine eligibility for Federal aid, and most of these questions are currently found even in the 1040EZ, the tax form.

In response, a small but growing number of researchers, economists, and leaders in higher education have offered proposals to reduce the FAFSA to one page and to prepopulate a student's FAFSA with the data their families have already submitted to the IRS. Such an approach would reduce the time-consuming and confusing FAFSA paperwork which requires parents and students to report to one Federal agency—the Department of Education—data they have already submitted to another Federal agency—the IRS.

Two North Carolinians—Senator BURR, on whose behalf I have submitted this amendment, and Erskine Bowles, who is the President of the University of North Carolina System, teamed up in the belief they could make applying for financial aid simpler and easier. President Bowles knows simplification of Federal applications is possible. As Administrator of the Small Business Administration in the 1990s, Erskine Bowles reduced the inch-thick SBA loan application to one page.

After a conversation between the two this spring, President Bowles put together a task force across the State of North Carolina and gave them 90 days to come up with a one-page form which made better use of data parents had already reported to the IRS. This June, President Bowles delivered the mockup of this one page to Senator BURR. So North Carolina showed we can and should work more rapidly to simplify the process of financial aid, both by reducing the length of the application and making better and more efficient use of data parents have already submitted to the Federal Government through their IRS forms.

I would mention we have had a task force, largely my staff, who has been working on reducing it. We have it down to a one-page form. But Senator BURR's amendment speeds up the time we study included in the higher education bill, so the relevant offices: Education, Comptroller General, Treasury, Office of Management and the Congressional Budget Office and representatives of higher education and State higher education executive officers who have a demonstrated commitment to simplifying the application for financial aid, report back to Congress in 1 year, how we could simplify the application and make even better use of data parents have already submitted to the Federal Government.

America's students and parents should not have to wait any longer than necessary for simplification. One stage of simplification should not preclude another stage of simplification. We do want to see that those who need the money the most have the highest priority. We want that to be done as simply as possible, so it doesn't discourage people from applying.

I appreciate this amendment to try to speed up the time to do a further simplification of FAFSA. I am pretty sure there are no objections on the other side of the aisle. We will leave the time open for further debate on that as well.

I suggest the absence of a quorum and allocate the time to the amendment.

The PRESIDING OFFICER (Mr. WHITEHOUSE). Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2328

Mr. REID. Mr. President, I ask the pending amendment be set aside and, as one of the Democratic amendments, I call up amendment No. 2328.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 2328.

Mr. REID. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide for campus-based digital theft prevention)

At the end of the bill, add the following:

SEC. 802. CAMPUS-BASED DIGITAL THEFT PREVENTION.

Part G of title IV (20 U.S.C. 1088 et seq.) is amended by adding at the end the following:

"SEC. 494. CAMPUS-BASED DIGITAL THEFT PREVENTION.

''(a) IN GENERAL.—Each eligible institution participating in any program under this title which is among those identified during the prior calendar year by the Secretary pursuant to subsection (b)(2), shall—

''(1) provide evidence to the Secretary that the institution has notified students on its policies and procedures related to the illegal downloading and distribution of copyrighted materials by students as required under section 485(a)(1)(P);

''(2) undertake a review, which shall be submitted to the Secretary, of its procedures and plans related to preventing illegal downloading and distribution to determine the program's effectiveness and implement changes to the program if the changes are needed; and

''(3) provide evidence to the Secretary that the institution has developed a plan for implementing a technology-based deterrent to prevent the illegal downloading or peer-to-peer distribution of intellectual property.

''(b) IDENTIFICATION.—For purposes of carrying out the requirements of subsection (a), the Secretary shall, on an annual basis, identify—

''(1) the 25 institutions of higher education participating in programs under this title, which have received during the previous calendar year the highest number of written notices from copyright owners, or persons authorized to act on behalf of copyright owners, alleging infringement of copyright by users of the institution's information technology systems, where such notices identify with specificity the works alleged to be infringed, or a representative list of works alleged to be infringed, the date and time of the alleged infringing conduct together with information sufficient to identify the infringing user, and information sufficient to contact the copyright owner or its authorized representative; and

''(2) from among the 25 institutions described in paragraph (1), those that have received during the previous calendar year not less than 100 notices alleging infringement of copyright by users of the institution's information technology systems, as described in paragraph (1).''.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2328, AS MODIFIED

Mr. REID. Mr. President, I have an amendment pending, No. 2328, and I send a modification to the desk and ask unanimous consent I be allowed to modify this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is so modified.

The amendment, as modified, is as follows:

At the end of the bill, add the following:

SEC. 802. CAMPUS-BASED DIGITAL THEFT PREVENTION.

Part G of title IV (20 U.S.C. 1088 et seq.) is amended by adding at the end the following:

"SEC. 494. CAMPUS-BASED DIGITAL THEFT PREVENTION.

''(a) IN GENERAL.—Each eligible institution participating in any program under this title which is among those identified during the prior calendar year by the Secretary pursuant to subsection (b)(2), shall—

''(1) provide evidence to the Secretary that the institution has notified students on its policies and procedures related to the illegal downloading and distribution of copyrighted materials by students as required under section 485(a)(1)(P);

''(2) undertake a review, which shall be submitted to the Secretary, of its procedures and plans related to preventing illegal downloading and distribution to determine the program's effectiveness and implement changes to the program if the changes are needed; and

''(3) provide evidence to the Secretary that the institution has developed a plan for implementing a technology-based deterrent to the illegal downloading or peer-to-peer distribution of intellectual property.

''(b) IDENTIFICATION.—For purposes of carrying out the requirements of subsection (a), the Secretary shall, on an annual basis, identify—

''(1) the 25 institutions of higher education participating in programs under this title, which have received during the previous calendar year the highest number of written notices from copyright owners, or persons authorized to act on behalf of copyright owners, alleging infringement of copyright by users of the institution's information technology systems, where such notices identify with specificity the works alleged to be infringed, or a representative list of works alleged to be infringed, the date and time of the alleged infringing conduct together with information sufficient to identify the infringing user, and information sufficient to contact the copyright owner or its authorized representative; and

''(2) from among the 25 institutions described in paragraph (1), those that have received during the previous calendar year not less than 100 notices alleging infringement of copyright by users of the institution's information technology systems, as described in paragraph (1).''.

(c) The Secretary shall not find any of the 25 institutions of higher education described in paragraph (b)(1) to be ineligible for continued participation in a program authorized under this subchapter because of failure to comply with this section.

Mr. REID. Mr. President, I suggest the absence of a quorum and ask unanimous consent that it be charged how it was being charged before.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2374

Mr. SESSIONS. Mr. President, for several years I have been looking at the question of student loans and the abuse that often exists in that process. Also, another issue that has concerned me is America's lack of physicians in numbers sufficient to meet our current demands and the demands we may have in the future. So I have an amendment today that, hopefully, the bill managers, Senators KENNEDY and ENZI, might feel comfortable supporting. It deals with both of those issues, I think, in a way that takes us in a positive direction.

The Association of American Medical Colleges, after the recommendation of Dr. Jordan Cohen, their president a couple years ago, recently stated it is their official policy that medical school enrollment should be increased by 30 percent. Most American medical schools are now already beginning to increase enrollment, some at about the rate of 15 percent, which can be done in most colleges without great expense. But as you get closer to a one-third increase, it actually begins to put a bite on people's programs. They have to have faculty, perhaps buildings, and other capabilities that may incur substantial costs.

One of the things that has concerned me—and I am not sure most Americans are fully aware of it—is that a shortage of physicians is being filled by an increasing number of graduates from foreign medical schools. Many of these are offshore schools in the Caribbean—for-profit schools. Many of them don't require test scores to get in, and they are not up to the standard of American schools. That is a fact. We have the finest, most magnificent medical schools in the world. We have a tremendous teaching and training program. We have some of the best equipment any schools could imagine in our country. So it is a special thing.

But I have been concerned that perhaps we have been too tough on enrollment, requiring too high of test scores, sometimes denying good people with good leadership skills, such as class presidents and captains of the football team, who scored a little bit below someone who had a higher physics or

chemistry score, and they don't get in. So I think we need to expand the number of people who come into medical school, and we ought to be open to qualities that are proven to further medical success, frankly. So I am concerned about that.

The interesting development I have discovered that goes to the question of our Federal dollars and how we are supporting medical education is indicated by this chart. It deals with the number of loans certified for U.S. residents who are attending foreign schools. In general, whether you are going for a semester abroad to Italy or Brazil or England or wherever, this shows that during the 1993–1994 academic year, there were under 4,600 loans, and ten years later there were over 13,000 loans. That might make one think this is a good thing, that more Americans are taking a semester abroad, as is common in a lot of schools. They encourage students to take a semester abroad, and it is an enriching experience—maybe even a year abroad. One might think that is what that issue deals with. But let's show what is happening here.

Look at this chart. Of the 13,000 students who attend foreign schools, about 9,000 of those are attending foreign medical schools. About 75 percent of the total study abroad loan volume of 2003, or about $170 million—and I am sure that number has gone up—is now for loans to students who attend foreign medical schools. That is a rather shocking number and a dramatic number. It comes from a GAO report, dated July of 2003. That is a matter I would call attention to.

What about these loans? Are these people attending top Paris medical schools or what? Look at them in terms of the volume of loans, first. Let's look at No. 1, the No. 1 school in the world where students receive U.S. Federal loan money is a medical school in Dominica. They only have one medical school on that island in the Caribbean, and they receive $35 million in loan volume, with 1,700-plus students receiving loans to go to that school.

The next one in volume is Grenada. Remember during President Reagan's presidency, when we had an invasion of Grenada, where we had American medical students and their safety was of great concern to us when that invasion took place. Grenada has one medical school. It gets $30 million and has 1,500 students attending.

The third country to receive Federal loan money for medical school is Mexico. They have 11 schools and they get $27 million. England is fourth. They have 182 schools in England, but they only get $25 million in student loans, and they have quite an advanced medical program there.

The next school on the list—the next country is the Dominican Republic, another island school. The Dominican Republic has six schools, and they receive $20 million in student loans each year. The next one is St. Maarten, another Caribbean island, $16 million. Next is Canada. We would think that would be up there at the top, would we not? Canada, our neighbor. Canada has 108 schools and they get only $15 million. The next one is another island school in the Caribbean, St. Kitts, they have two schools and they get $14 million.

I think that begins to show the problem we are dealing with. I would suggest we need to take some real interest in it.

So I have offered an amendment that would deal with it. I send my amendment to the desk, as modified, and ask for its consideration.

The PRESIDING OFFICER (Mr. WEBB). The clerk will report.

The legislative clerk read as follows:

The Senator from Alabama [Mr. SESSIONS] proposes an amendment numbered 2374.

Mr. SESSIONS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the provisions of the Higher Education Act of 1965 regarding graduate medical schools located outside of the United States)

At the end of title I, add the following:

SEC. 114. FOREIGN MEDICAL SCHOOLS.

(a) PERCENTAGE PASS RATE.—

(1) IN GENERAL.—Section 102(a)(2)(A)(i)(I)(bb) (20 U.S.C. 1002(a)(2)(A)(i)(I)(bb)) is amended by striking ''60'' and inserting ''75''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on July 1, 2010.

(b) STUDY.—

(1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Comptroller General of the United States shall—

(A) complete a study that shall examine American students receiving Federal financial aid to attend graduate medical schools located outside of the United States; and

(B) submit to Congress a report setting forth the conclusions of the study.

(2) CONTENTS.—The study conducted under this subsection shall include the following:

(A) The amount of Federal student financial aid dollars that are being spent on graduate medical schools located outside of the United States every year, and the percentage of overall student aid such amount represents.

(B) The percentage of students of such medical schools who pass the examinations administered by the Educational Commission for Foreign Medical Graduates the first time.

(C) The percentage of students of such medical schools who pass the examinations administered by the Educational Commission for Foreign Medical Graduates after taking such examinations multiple times, disaggregated by how many times the students had to take the examinations to pass.

(D) The percentage of recent graduates of such medical schools practicing medicine in the United States, and a description of where the students are practicing and what types of medicine the students are practicing.

(E) The rate of graduates of such medical schools who lose malpractice lawsuits or have the graduates' medical licenses revoked, as compared to graduates of graduate medical schools located in the United States.

(F) Recommendations regarding the percentage passing rate of the examinations administered by the Educational Commission for Foreign Medical Graduates that the United States should require of graduate medical schools located outside of the United States for Federal financial aid purposes.

Mr. SESSIONS. So to briefly summarize what the amendment does, it attempts to deal with this issue in a balanced but effective way. It seeks to protect taxpayers' dollars from subsidizing foreign medical schools that are failing to show positive results, and we have a way to determine which ones are showing results. Currently, in order to qualify for student financial aid, we have a rule in effect. That rule is that the foreign medical school must show 60 percent of its graduates pass the Educational Commission for Foreign Medical Graduates' Examination. This is a test you have to take after you graduate to become licensed to practice medicine in the United States. So, currently, that rule is 60 percent. This amendment would raise the bar from 60 to 75 percent, to be implemented in 2 years' time. It would give them 2 years to prepare for this.

I believe it is a reasonable change because approximately 90 percent of U.S. medical school graduates pass medical licensing examinations on their first attempt. That is a big difference. It is indisputable that the test failure rate is indicative of the quality of the instruction that one receives at a school.

During the next 2 years, prior to implementation of the new 75-percent standard, the amendment also requires the Government Accountability Office to conduct a study on the amount of Federal aid going to offshore medical schools, the percentage of foreign medical graduates who pass the examination on the first try or after multiple attempts, the percentage of recent foreign medical school graduates practicing medicine in the United States, and a description of where and what type of medicine they are practicing and asking for recommendations for the examination passage rate the United States should require of foreign medical schools who wish to qualify so that they can receive U.S. Federal student aid.

I am also modifying the amendment by adding a portion of the study to examine the rate of malpractice lawsuits and of lost or revoked medical licenses from graduates of foreign medical schools as compared to graduates of U.S. medical schools.

Now, the study we have, the GAO report, would involve this. It would examine what is happening with students of foreign medical schools after they leave in order to determine how effective the schools are. While many of these schools likely do a pretty good job, and some I think do, there is no way to know for sure, as they are not licensed or accredited by any American entity.

Many foreign medical schools do not use cadavers—do not use cadavers—but instead have students perform procedures that would be done, preferably on

cadavers, by simulation on a computer. I don't know about you, but I don't want a doctor operating on me who has been practicing using a mouse and a keyboard.

In fact, an article in the Pittsburgh Tribune Review earlier this year quoted Dr. Cameron Wilkinson, medical director of Joseph N. France Hospital in St. Kitts and supervisor of clinical rotations for two medical schools on the island as saying this—this is at St. Kitts in the hospital there, the training school, and he said this: ''No medical school here would have a cadaver.''

He said: ''It would be great,'' but he explained the schools in the islands aren't equipped to work with them. This was in reference to a school on the island that was actually found to have cadavers for clinical instruction, but they kept them in black bags in an unsterile, unlocked, air-conditioned room. They were not following protocol for the use of cadavers and lacked the necessary documents to have them shipped from the United States. They also did not smell like formaldehyde, which is one reason I didn't go to medical school, having gone into a place where something was kept in formaldehyde. But that is a great concern, as formaldehyde preservation is standard procedure for institutions that utilize cadavers in medical research. Thus, this school was handling cadavers inappropriately.

But this story also makes clear that schools on the island, for the most part, never use cadavers. Many of these schools do not even require that students take the MCAT; that is, the Medical College Admission Test. Standards at some of these schools are much lower than standards at American medical schools in regard to MCAT scores and GPAs—grade point averages—if they have those requirements at all.

The Association of American Medical Colleges states that about—get this—this is the Association of American Medical Colleges. They have found that about one in four physicians practicing in the United States today, and about one in four physicians in training in the United States today, are foreign medical graduates. This is a remarkable statistic, when we have this magnificent medical school system in our country. We have gotten out of sync.

These foreign medical school graduates are, in many ways, needed to fill the gaps that currently exist in the American medical school education system. In June of 2006, as I said, the Association of American Medical Colleges recognized this shortfall and formally recommended a 30-percent increase in medical school graduates by 2015. That expansion would allow for 5,000 new medical students each year beginning in 2015.

The PRESIDING OFFICER. The Senator has used the 15 minutes provided for him under the order for the amendment.

Mr. SESSIONS. I thank the Chair. I ask unanimous consent for 1 additional minute.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. SESSIONS. Mr. President, I would note that the U.S. population is increasing by 25 million each decade. The number of people over 65 will double by 2030. We expect more and more out of health care. We must have additional medical physicians, and we need to increase our own system and reduce the amount of money, taxpayer money, going to medical schools that are below par.

This bill would make changes and move us in that direction. I ask our leaders to consider that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I am going to urge that the Senate accept the Senator's amendment. It has been a number of years since our HELP Committee got into looking at the foreign medical schools, as the Senator pointed out. I think there are a number that are exceptional and incredibly good. Others are moderately good, and there are others that don't pass muster. It is, I think, useful to get that kind of information. We have a health care crisis. Personnel is a key aspect of the health care crisis. We have a concern about what the specialties are in different areas in this country. The amendment the Senator is offering is going to help us understand what is happening with these foreign medical schools. The amount of financial aid they receive—we ought to be updated on that. We ought to know the percentage of students that are going to pass that exam. We ought to know what specialties they are moving into and where they are practicing, the types of medicine they are practicing; that is exceedingly important and useful.

The Senator has other references in here, too, in terms of the number of times to take the exam and medical licenses that are revoked. I think it would provide important information, certainly, for our committee. We ought to have an update of information on what is happening. Also, I think it is important for the American taxpayer to understand what is happening as well, in terms of this kind of investment, so I thank the Senator. This is an important area. We have, as the Senator knows, programs to provide medical personnel—this is related but not directly on subject—in underserved areas in the United States, which has worked quite well. That is not the target of this particular program. But it is important that we have this kind of information. It will be useful for our HELP Committee to have it. So I hope the Senate will accept it. I thank the Senator for raising this issue. I think it is useful and important. We hope we can persuade our House Members to accept it at the appropriate time as well.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 2374) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote.

Mr. ENZI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, I think we are prepared to accept the Akaka amendment, if there is no further debate.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to amendment No. 2372.

The amendment (No. 2372) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote.

Mr. ENZI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ENZI. Mr. President, I think we are prepared to move on with the Burr amendment as well. That is next.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to amendment No. 2373.

The amendment (No. 2373) was agreed to.

Mr. ENZI. Mr. President, I move to reconsider the vote.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, we have remaining time on the amendments we have dealt with previously. I believe we have 15 minutes. I am glad to yield it to the Senator from Oregon. He wants to talk on another subject.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

CHIP

Mr. WYDEN. Mr. President, I thank the Senator from Massachusetts and the Senator from Wyoming for their thoughtfulness.

This is especially appropriate, since Chairman KENNEDY and the distinguished ranking minority member are on the floor. Both of them have great interest and involvement in health care. I thought it would be appropriate to talk for a few minutes about the upcoming CHIP legislation, the legislation that deals with the Children's Health Insurance Program, which is so important to America's youngsters.

There was a markup in the Senate Finance Committee last week and it passed out overwhelmingly, to a great extent because of the very important and laborious work done by Chairman BAUCUS, Senator ROCKEFELLER, and also the senior Republicans on the committee, Senators GRASSLEY and HATCH. I commend them greatly for their toil.

I wish to take a couple of minutes today to talk about the issue because the administration has indicated that at this point they would veto the legislation, which came from the Senate Finance Committee by a 17-to-4 vote. I

am very hopeful they will choose not to veto this legislation because I felt it was striking in the Finance Committee last week that Senator after Senator on both sides of the aisle, including Senator CONRAD and Senator LOTT, for example—leaders of their respective parties on economic issues—they concurred that the system in this country is broken. The health care system cannot control the costs. Millions fall between the cracks. Administrative expenses are soaring. We have largely sick care rather than health care. This is something Democrats and Republicans alike agree on.

The administration has the view that one of the key changes that needs to be made is the Federal tax rules as they relate to health care. I share their view that these rules are a mess. But it is not going to be possible to get to the question of broader reform until you first get bipartisan cooperation on the urgent and immediate needs of this country's youngsters.

Frankly, I came out of the markup last week very encouraged about the Senate's interest and desire, on a bipartisan basis, to move ahead to fix health care. I think the clear feeling in the Senate Finance Committee is that this country cannot afford to wait to fix health care. I know there are a lot of people, particularly in the media, think tanks, and others who think: Let's wait a couple of years for another Presidential election. Let's wait 2, 3 more years.

That is sort of the way it goes for the political class. But for people who are hurting in this country and businesses that are struggling to meet the health needs of their workers and are dying to offer them coverage and cannot afford it, I don't think it is acceptable to say let's wait around a couple more years. It strikes me as pretty callous to say let's wait for another election, when we have all those needs of workers and businesses in parts of the country where there have been tremendous layoffs. They say: Well, they can wait a couple more years before anybody talks about fixing health care.

That is not what I heard in the Senate Finance Committee last week. I heard Senator after Senator—not just Senators CONRAD and LOTT but Senators CRAPO, SALAZAR, and other colleagues on both sides of the aisle—making it clear they share my view that the health care system is broken. Now, for the first time in more than 13 years, the Senate has an opportunity to work in a bipartisan way to fix health care.

Senator BENNETT, a member of the Republican leadership, has joined me in legislation—the Healthy Americans Act—that has been able to pick up support of labor and business. We have structured it so all our citizens can get health care coverage, such as their Member of Congress does, through the private sector, at no greater cost than we are spending as a nation today. The bill has been put together so workers and employers win with the very first paychecks that are offered. I don't see why America should wait any longer to fix health care. What we should be doing is building on the important work of Chairman BAUCUS and Senator GRASSLEY, Senators HATCH and ROCKEFELLER and move to get CHIP passed in a bipartisan way and meet the immediate needs of this country's youngsters and then move on to do what I have heard members on both sides of the aisle on the Finance Committee call for last week and that is to fix American health care.

The reality is—and you and I have had a chance to talk a bit about it, Mr. President—the system we have today was largely designed more than 70 years ago. It was set up after World War II. There were wage and price controls. Our troops were coming home. We wanted them to get good benefits. So we put it off essentially on the employer, and the Tax Code would change to make that possible. Well, a system designed for the 1940s surely doesn't make sense for 2007, when the typical worker changes jobs seven times by the time they are age 35.

The current Tax Code is regressive and it promotes inefficiency. If you are a high-flying CEO, you can get a designer smile put on your face and write off the cost of that operation on your taxes. But if you are a hard-working woman in a furniture store and your company has no health plan, you get practically nothing.

Now, my sense is, when the administration talks about changing the tax rules for health care and you look at what Senators were saying in the Senate Finance Committee about the system being broken, there is a pretty good opportunity to work in a cooperative way—not 2 or 3 years from now but to move forward in this session of Congress. To make that possible, it is going to be essential for the Bush administration to back off from this threat of vetoing the children's health program and to work with Members on both sides of the aisle so that this legislation can get passed, and it would be possible, on a bipartisan basis, to move on to fix our health care system.

We have a lot to work with. Certainly, we have seen great interest at the State level. A number of States are already moving forward with innovative programs. Mr. President, as you and I have discussed, no State can fix problems they didn't cause. No State can deal with the regressivity and inefficiency of the Federal tax rules on health care. No State can deal with Medicare. No State can deal with what is called the ERISA Program, the Employee Retirement Income and Security Act, with respect to large employers and multiemployer programs. No State can deal with that. We are going to have to have bipartisan action at the Federal level.

I have been very pleased that Senator BENNETT has joined me in this bipartisan effort. My sense is there is something of an ideological truce coming on health care. We see a lot of bipartisan cooperation. Today, in fact, the distinguished Senator from Wyoming, Senator ENZI, and Chairman KENNEDY are cooperating on issue after issue.

Senator BENNETT and I have said on health care that Republicans have moved a long way on coverage. We recognized that to fix health care, the people who are uninsured cannot just keep passing the bills on to people who are insured. We have to cover everybody, and Republicans have acknowledged that fact.

Democrats, on the other hand, have been making it clear that they do not think we can just turn it all over to Government. We cannot turn everything in health care over to Government and expect everything to come out well. We have to have some private choices, choices in a fixed market, where insurance companies cannot cherry-pick and just take healthy people and send sick people over to Government programs more fragile than they are.

We have to fix the private marketplace, but there ought to be choices in the private sector. That, too, is an opportunity for Democrats and Republicans in the Senate to work with the Bush administration once we get beyond the question of the children's health program.

I am convinced that we are right on the cusp of being able to move forward on health care in a bipartisan way. In the other body, the Healthy Americans Act that Senator BENNETT and I have been working for in the Senate will be introduced this week on a bipartisan basis. So that would then mean the Healthy Americans Act would be the first bipartisan, bicameral piece of legislation to fix American health care in more than 13 years.

Colleagues are going home every time there is a recess and talking with folks at home about health care. People are saying we know the system is broken and it is not enough to try to just take one small part. We really need to step back and make changes, for example, in the employer-based system which is hurting the competitiveness of so many of our companies. We need to have some health care rather than sick care because the system is biased against prevention. We clearly need to help those who are falling between the cracks.

Above all, we have to contain the costs. The costs are rising, according to PricewaterhouseCoopers, at far in excess of inflation, estimated to be about 12 percent this year. There is no way that is sustainable. It is not sustainable when we look at today's population trends and costs and the disadvantages our employers face.

I was very pleased last week that not only was the Senate Finance Committee able to pass the CHIP legislation on a 17-to-4 basis through the hard work of our bipartisan leadership, but I was impressed because so many Senators on both sides of the aisle said

they want to go further and to fix a broken health care system. To do that, we are going to have to work in a bipartisan way. We are interested in working with the Bush administration on that issue.

I and others have said we can have differences of opinion with respect to how we straighten out this mess of a Tax Code as it relates to health care, but by and large, the administration is onto the key issue. To do this, we are going to have to recognize, first, that America cannot afford to wait any longer to fix health care. It is not enough to say let's just deal with it after the next election. That is not enough for people who are hurting in Virginia and Oregon and Wyoming. They want to see action in this session. That is what they give us an election certificate to do, to act on big issues and not just put them off for another 2 or 3 years.

So let us work together, Democrats and Republicans, in this body with the administration to pass the children's health program and then to continue that spirit of bipartisanship and fix American health care in this Congress.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, we have made very good progress during the morning and early afternoon on the reauthorization of the Higher Education Act. We have a pretty good idea now of the remaining amendments. We are getting in touch with our colleagues who intend to offer those amendments. I expect we will have votes, as the leader indicated, in the early evening, and this probably will necessitate that we will have a few votes in the morning tomorrow. But we will wind up this higher education reauthorization bill, which is really the good news.

Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 8½ minutes remaining on the bill.

Mr. KENNEDY. Mr. President, I ask the Chair to advise when I have 1 minute left.

Finally, Mr. President, I want to review again exactly where we are on the two pieces of legislation, one of which we passed on Thursday night, which is the historic increase in the need-based grant aid, the largest increase in grant aid since the GI bill after World War II. We have also assisted in the management of these loans, the indebtedness, by offering loan forgiveness and by putting a limit on loan payments at 15 percent of the discretionary income. Discretionary income also takes into consideration if there are children and, obviously, that reduces the discretionary income.

We have the loan forgiveness for borrowers who work in the public service jobs. If you become a teacher and work with special needs children, or work with the disabled or the elderly, and you do that over a 10-year period, you will not pay more than 15 percent and qualify for the loan forgiveness.

The bill also protects working students, so that if they work hard and gain some money to be able to buy some books, that they are not going to break through these caps, need-based caps, and they are going to be able to buy the books and use those earnings. This is a realistic and important aspect of the legislation.

So this is assistance to the neediest students, assistance for those students from working families with middle income, and assistance for idealistic students who want to work in public service. All of that is going to be possible under this legislation.

Under the reauthorization, the other part which we are now on the floor of the Senate debating, we are also making sure that the student loan system is going to meet the ethical requirements and is going to ensure that the best interest of the students and the loan system is going to be protected.

We have had too many stories of inappropriate kinds of actions in the development of the loan system, which makes it more difficult for the students and, obviously, compromises the colleges and universities. So we have addressed that issue in this part of the program.

We are publicizing the cost information so that parents will understand and get real information as to what the cost is for the schools. We are going to also publicize what the States are providing. If they cut back, as they have in my own State, which has meant the fees have gone up, parents will know who is responsible. We hope this will make a difference in terms of the total cost of education.

The application itself, what they call the FAFSA, we have simplified that so it will no longer be a discouraging document. It will be one that will be easier to read and be easier to utilize, particularly for those students who don't have the kind of support systems that help them fill out those forms.

Finally, we have helped in the areas of the GEAR UP and TRIO programs to help improve preparation for higher education. For one reason or another, some students need a helping hand to continue their education and succeed in school. That has been true for the TRIO and GEAR UP programs and other programs that work with children who come from economically disadvantaged backgrounds but are talented and hard working students. This helps provide an outreach for those students.

Lastly, we have the programs to support higher quality teacher preparation. We understand at the end of the day the teacher in the classroom is the one who makes all the difference. Each and every one of us in this Chamber can all remember our favorite teachers, the one who inspired us, helped us, coached us, and really encouraged us to move ahead and grasp the opportunities of furthering our education.

Mr. President, this is a very meaningful piece of legislation. It represents the best judgment of Republicans and Democrats alike. We are enormously indebted to our Republican and Democratic colleagues and all of the staffs who have worked very long and hard on this legislation.

We are going to have more to say on these particular amendments, but I think it is useful to just give a summary of what this legislation is all about. We have added to this legislation over the course of the day in some very useful and meaningful ways. So we are going to look forward to getting a good vote on the final passage.

Mr. President, I believe my time is up.

The PRESIDING OFFICER. The Senator's time has expired.

AMENDMENT NO. 2375

Mr. ENZI. Mr. President, I send an amendment to the desk on behalf of Senator BURR.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. ENZI], for Mr. BURR, proposes an amendment numbered 2375.

Mr. ENZI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Higher Education Act of 1965 with respect to teacher development)

After section 205 of the Higher Education Act of 1965 (as amended by section 201 of the Higher Education Amendments of 2007), insert the following:

"SEC. 205A. TEACHER DEVELOPMENT.

''(a) ANNUAL GOALS.—As a condition of receiving assistance under title IV, each institution of higher education that conducts a traditional teacher preparation program or alternative routes to State certification or licensure program and that enrolls students receiving Federal assistance under this Act shall set annual quantifiable goals for—

''(1) increasing the number of prospective teachers trained in teacher shortage areas designated by the Secretary, including mathematics, science, special education, and instruction of limited English proficient students; and

''(2) more closely linking the training provided by the institution with the needs of schools and the instructional decisions new teachers face in the classroom.

''(b) ASSURANCE.—As a condition of receiving assistance under title IV, each institution described in subsection (a) shall provide an assurance to the Secretary that—

''(1) training provided to prospective teachers responds to the identified needs of the local educational agencies or States where the institution's graduates are likely to

teach, based on past hiring and recruitment trends;

''(2) prospective special education teachers receive coursework in core academic subjects and receive training in providing instruction in core academic subjects;

''(3) regular education teachers receive training in providing instruction to diverse populations, including children with disabilities, limited English proficient students, and children from low-income families; and

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

''(c) PUBLIC REPORTING.—As part of the annual report card required under section 205(a)(1), an institution of higher education described in subsection (a) shall publicly report whether the goals established under such subsection have been met.

Mr. ENZI. Mr. President, this is a teacher amendment. Teachers are the most important factor to a child's academic achievement. Student achievement will not improve unless we can ensure that all children have access to qualified teachers. Many of our schools, however, are lacking in a steady and ample supply of qualified teachers.

The current state of affairs for high schools and middle schools is especially troubling. Nationally, 24 percent of all high school classes are taught by teachers lacking in either a college major or minor in their field of teaching. However, for students in high-poverty schools, this number jumps to 34 percent in comparison to 19 percent in low-poverty schools.

Nearly 50 percent of math classes in high-poverty high schools are taught by teachers with neither a major nor minor in math or a math-related field, such as engineering, physics, or math education.

Schools and districts for too long have been forced to depend on teacher pipelines that are not producing sufficient numbers of qualified individuals to teach in high-need areas such as math, science, foreign language, special education, and English language proficiency, and in hard-to-staff schools both in urban and rural areas.

The Bipartisan Commission on No Child Left Behind, led by Tommy Thompson and Roy Barnes, though concentrating primarily on the Elementary and Secondary Education Act, recognized the critical connection between higher education—colleges of education—and K–12 education, for improving the supply of qualified teachers.

As one of its recommendations, the No Child Left Behind Commission recommended amending title II of the Higher Education Act to require institutions of higher education that prepare prospective teachers to set annual goals for increasing the number of prospective teachers in shortage areas, such as math, science, special education, and instruction of limited English-proficient students, and for more closely linking the instruction colleges of education provide prospective teachers with the needs new teachers will face in the classroom.

Additionally, the Commission recommended having institutions of higher education provide an assurance to the Secretary that, No. 1, teacher training responds to the needs of the school districts and States in which new teachers graduate; No. 2, regular education teachers are provided with training in teaching diverse populations, including special education students, limited English-proficient students, and low-income students; No. 3, prospective teachers receive training to teach in urban and rural schools; and, No. 4, special education teachers receive training on instruction in content areas.

Senator BURR's amendment puts into statute these important Higher Education Act recommendations made by the bipartisan, nonpartisan No Child Left Behind Commission. Senator BURR, on whose behalf I offer this amendment, and I share the belief we must forge stronger connections between higher education and our K–12 schools and that higher education has a responsibility to ensure that the pipeline of prospective teachers grows and responds to the needs of American students and schools.

All our children, regardless of background or neighborhood, must have access to high-quality teachers. So I am going to urge everyone to support this important amendment, which is offered by Senator BURR. This amendment requires teacher training programs to report to the Secretary of Education on how they are responsive to the needs of their graduates once they reach the classroom.

I am particularly pleased this amendment recognizes the special skills new teachers need when teaching in rural areas. Today's teachers need training to meet the needs for diverse student populations—ranging from students with disabilities to English language learners to gifted and talented students.

Finally, this amendment does not impose additional mandates on institutions with teacher training programs. It simply requires them to report on how they are meeting the needs of prospective teachers in local school districts, and I am sure they are working on that on a daily basis to figure out how they can meet the needs in the best way possible. Sharing that with us will help us in our work. So I ask that we adopt the Burr amendment.

Mr. KENNEDY. Mr. President, I thank the good Senator from North Carolina for offering this amendment. I had the opportunity to travel to North Carolina and to visit with their education department about their innovative and creative ways of trying to bring in highly qualified teachers in a lot of underserved areas. They have done a very good job.

This amendment doesn't surprise me. It is extremely worthwhile and reminds us of what the current situation is. If you have math students in high-poverty schools, they are more likely to be taught by out-of-field teachers. That means that over 33 percent of the math classes in high-poverty schools are being taught by a teacher without a degree in their field compared to less than 18 percent in low-poverty schools.

So as we have discussed during this entire debate, both last week and this week, this is a good example of our efforts to reduce the inequities in education, particularly when we are talking about the needs of developing skills in math, in science, engineering, and technology. This is a pretty good indication, the fact that if children are going to high-poverty schools, this is the chance they have to learn from a well-qualified teacher. It isn't always the case, but these statistics demonstrate the point the amendment is trying to make.

This is in science. If you take science students in high-poverty schools, they are more likely to be taught by out-of-field teachers. It is 56 percent in the high-poverty area, and only 22 percent in the low-poverty areas. This is repeated in other subjects as well.

Among other things, what the amendment is trying to do is hold institutions of higher education accountable for the quality and progress of teacher preparation and alternative certification programs. We have serious need for math and science teachers, especially in low-income and high-need schools. We ought to be encouraging our teaching institutions to help produce those teachers. That is really a very substantial part of what this amendment does. It helps high-need schools recruit and retain high-quality teachers so we give encouragement to schools to produce these teachers, and then help the high-needs schools to recruit and retain the highly qualified teachers and also help promote innovative models such as induction and teaching residency programs.

We have seen that some of these programs have been enormously successful in retaining teachers in high-poverty areas. These programs also encourage more accountability in teacher preparation. That is very consistent with what we are trying to do in this legislation.

Senator BURR has spoken of this issue. The Senator from Wyoming, you will remember, spoke about this during our discussions in the committee. We indicated a desire to work with him. This legislation is right on target with what we are attempting to do, recognizing what I said previously, and that is the key to education is the well-trained teacher. This is going to be helpful to make sure we are going to have a well-trained teacher in those areas of shortage. Clearly, math, science and engineering are very important, critical areas. As are teaching students with disabilities and English language learners. The amendment will help make this stronger legislation as a result of its acceptance.

I am more than glad to urge our colleagues to accept it. I will follow the lead of the Senator from Wyoming.

Mr. ENZI. I thank the Senator from Massachusetts for his comments. It is something he and I have talked about extensively. We do know teachers are the key to education.

I am not aware of any disagreement on either side. I am ready to wrap up the debate on it.

Mr. KENNEDY. We are prepared to accept the amendment.

Mr. ENZI. We ask the time left on the amendment be yielded to the bill itself.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ENZI. I thank the Chair.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2375) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote.

Mr. ENZI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, the Senator from Ohio, I understand, is on his way. We expect him shortly. He has an important amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BROWN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2376

Mr. BROWN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Ohio [Mr. BROWN] proposes an amendment numbered 2376.

Mr. BROWN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide for a Federal supplemental loan program)

At the end of title IV of the bill, add the following:

PART H—FEDERAL SUPPLEMENTAL LOAN PROGRAM

SEC. 499. FEDERAL SUPPLEMENTAL LOAN PROGRAM.

Title IV (20 U.S.C. 1070 et seq.) is further amended by adding at the end the following:

"SEC. 499B. FEDERAL SUPPLEMENTAL LOAN PROGRAM.

''(a) PROGRAM AUTHORIZED.—The Secretary shall carry out a Federal Supplemental Loan Program in accordance with this section.

''(b) ELIGIBLE INDIVIDUALS.—An individual shall be eligible to receive a loan under this section if such individual attends an institution of higher education on a full-time basis as an undergraduate or graduate student.

''(c) FIXED INTEREST RATE LOANS AND VARIABLE INTEREST RATE LOANS.—

''(1) IN GENERAL.—Beginning with academic year 2008–2009, the Secretary shall make fixed interest rate loans and variable interest rate loans to eligible individuals under this section to enable such individuals to pursue their courses of study at institutions of higher education on a full-time basis.

''(2) FIXED INTEREST RATE LOANS.—With respect to a fixed interest rate loan made under this section, the applicable rate of interest on the principal balance of the loan shall be set by the Secretary at the lowest rate for the borrower that will result in no net cost to the Federal Government over the life of the loan.

''(3) VARIABLE INTEREST RATE LOANS.—With respect to a variable interest rate loan made under this section, the applicable rate of interest shall, during any 12-month period beginning on July 1 and ending on June 30, be determined on the preceding June 1 and be equal to—

''(A) the bond equivalent rate of 91-day Treasury bills auctioned at the final auction held prior to such June 1; plus

''(B) a margin determined on an annual basis by the Secretary to result in the lowest rate for the borrower that will result in no net cost to the Federal Government over the life of the loan.

''(d) MAXIMUM LOAN AMOUNT.—

''(1) IN GENERAL.—The Secretary shall make a loan under this section in any amount up to the maximum amount described in paragraph (2).

''(2) MAXIMUM AMOUNT.—For an eligible individual, the maximum amount shall be calculated by subtracting from the estimated cost of attendance for such individual to attend the institution of higher education, any amount of financial aid awarded to the eligible individual and any loan amount for which the individual is eligible, but does not receive such amount, pursuant to the subsidized loan program established under section 428 and the unsubsidized loan program established under section 428H. For the purposes of this section, an institution of higher education may reduce its cost of attendance.

''(e) COSIGNERS.—The Secretary shall offer to eligible individuals both fixed interest rate loans and variable interest rate loans under this section with the option of having a cosigner or not having a cosigner.

''(f) REPAYMENT.—The Secretary shall offer a borrower of a loan made under this section the same repayment plans the Secretary offers under section 455(d) for Federal Direct Loans.

''(g) CONSOLIDATION.—A borrower of a loan made under this section may consolidate such loan with Federal Direct Loans made under part D.

''(h) DISCLOSURES AND COOLING OFF PERIOD.—

''(1) DISCLOSURES.—The Secretary shall provide disclosures to each borrower of a loan made under this section that are not less than as protective as the disclosures required under the Truth in Lending Act (15 U.S.C. 1601 et seq.), including providing a description of the terms, fees, and annual percentage rate with respect to the loan before signing the promissory note.

''(2) COOLING OFF PERIOD.—With respect to loans made under this section, the Secretary shall provide a cooling off period for the borrower of not less than 10 business days during which an individual may rescind consent to borrow funds pursuant to this section.

''(i) DISCRETION TO ALTER.—The Secretary may design or alter the loan program under this section with features similar to those offered by private lenders as part of loans financing postsecondary education.''.

Mr. BROWN. Mr. President, a couple of months ago a distraught mother from Cincinnati wrote me about the private loan her daughter had taken to go to college. Her daughter had borrowed $21,000, was facing a bill for over $100,000 as a result. She sent me the disclosure sheet on the loan represented in this chart because she could not believe what she saw.

She took out a loan for $21,000 for 2 years of school. That loan grew, at an 18 percent interest rate, to almost $35,000 because there was a deferral on payback of the loan during her 2 years in school.

So she ended up owing $67,000 for the life of the loan. That is why she ended up paying $102,000 because of this incredibly high interest rate for student loan, 18¼ percent.

I have shown this statement to a loan officer at a bank and also to my attorney. They both expressed to me they had never seen anything such as this and there must be a mistake. Unfortunately, the only mistake is Congress has failed to act to restrain the costs of these loans, which as we have seen, can carry interest rates sometimes in excess of 18 percent.

It is not an isolated problem. Private loans have been growing at an annual pace of some 27 percent, meaning that because tuition continues to grow at a rapid rate, and the Federal Government has not met, through the Direct Student Loan Program or the Guaranteed Student Loan Program, has not met that increase, the amount that students need has grown at such a rapid rate that private lenders have come in charging interest rates similar to this, 18 percent, 16 percent, 17 percent, whatever.

The cost of college has climbed so much that we have seen this kind of growth. In Ohio, the median house income increased 3 percent between 2000 and 2006. Tuition went up 53 percent at 4-year public schools, 28 percent at 4-year private schools. Tuition went up 28 percent for some, 53 percent for others. Yet the average wage in our State went up only 3 percent.

The Federal loan limits have barely budged over the past several decades. In 1972, a freshman could borrow $2,500 in Federal loans. Last year, that number barely moved to $2,600, even though, in real terms, the limit on borrowing would amount to $12,000, if it kept pace with inflation. To be fair, the law changed this month. A freshman can borrow $3,500 for school. But even though the limits in the first 2 years have been increased somewhat, the overall cap on borrowing remains the same, $23,000 for a dependent undergraduate. This bill does nothing to change the cap because the HELP Committee decided, correctly in my view, the bulk of savings we could achieve should be plowed back into Pell grants. I applaud Chairman KENNEDY for doing that.

With the price tag for 4 years of college at $120,000 for private schools, $50,000 for public schools, there is obviously a big gap for many students.

That gap gets filled in many ways: savings, work, grants, PLUS Loans, credit cards, you name it. But for more students, private loans are playing a bigger role.

According to testimony before the Banking Committee last month, Sallie Mae made $7 billion in private loans and $15 billion in Federal loans. In other words, one out of three college student loan dollars originated by the biggest student lender in the country is a private loan subject to much higher rates.

As this chart indicates, the private loan program may well outstrip the Federal program over the next decade. What we have done on this chart is use the growth rates of the two programs over the past several years to predict how large they will grow if current trends continue. The darker reddish-purple there is the unregulated private bank loans that students are getting, growing more than 20 percent a year. You can see how within 7 or 8 years, they will overtake student loans.

More and more students are forced to go through private banks for private loans at higher and higher interest rates every year. Think about these numbers: A 28-percent increase in tuition over the last 6 years for private 4-year institutions, 53 percent for public 4-year institutions. Yet the average wage has only gone up 3 percent.

Congress very often legislates through the rear-view mirror. We wait until a problem becomes close to unmanageable before we feel compelled to act. Today we can take a different approach. We can act to address a problem before it becomes widespread. This amendment I am offering will create an alternative for the fastest growing segment of the student loan industry, private loans.

My amendment creates a supplemental loan program that would be run by the Federal Government. It would provide one more option for students to finance their education. Over the years, my Republican colleagues have defended the private guaranteed student loan program by arguing there should be competition between the guaranteed and the Direct Loan Program and that the competition made both better. Right now there is no competition for these private loans with the results that students have been charged in excess of 18 percent.

Mr. KENNEDY. Would the Senator yield?

Mr. BROWN. I will yield.

Mr. KENNEDY. Mr. President, how much time do we have?

The PRESIDING OFFICER. There is 10 minutes remaining in favor of the amendment.

Mr. KENNEDY. There is 15 minutes divided between Senator ENZI and myself?

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. I would be glad to, if the Senator would yield on my time.

Is it not true that there is sort of three major components of paying for the cost for higher education? We have one aspect of it, which is the student loan program, which is the Federal student loan program. Included in that program is the authorization program, that we are going to deal with this issue.

Then we have the private loan programs which the Senator from Ohio is addressing. So as we are on the floor of the Senate, and middle-income families are watching us, we say we want to do something about the cost of tuition, certainly we make a downpayment on that in the reconciliation bill, where we have taken some $17 billion out of the lenders in order to provide more Federal grant aid to needy students. We have helped the neediest students.

But the Senator from Ohio has put his finger on what is happening at the other end; that is, the dramatic increase in the students borrowing at these exorbitant rates of 18 percent.

Does the Senator share my belief that we will never get a handle on the cost of tuition for colleges and universities until we get a handle on that program as well?

Mr. BROWN. I think that is exactly right, what Senator KENNEDY said. Because of the efforts of Senator ENZI and Senator KENNEDY, in a bipartisan effort in this body last week, to move money that has been subsidizing those private companies into Pell grants and into better rates and better payback periods and all of that for students, we have gone a big part of the way.

But on this chart, as Senator KENNEDY suggests, the dollars students will need continue to skyrocket, and the only place they can go is these private banks.

Mr. ENZI. Parliamentary inquiry: It is my understanding of the time that it was equally divided by the pro and the con on the amendment rather than——

The PRESIDING OFFICER. That is correct.

Mr. ENZI. Rather than half to the presenter.

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. Let me ask the Senator from Ohio, if you look at the left part of that chart, that is 1996; is that correct?

Mr. BROWN. This is actually 2005.

Mr. KENNEDY. So what you are pointing out is what has happened in the last 6 years; am I not correct?

Mr. BROWN. Well, we also had a chart earlier that showed that increase of 20-plus percent, up until now, in real dollars. If the percentage increase continues, and there is no reason it would not, it will grow similar to this. But we have had several years of this already.

Mr. KENNEDY. Well, the point I am making is this is a relatively new phenomenon that has taken place, correct?

Mr. BROWN. Correct.

Mr. KENNEDY. As we try to get a handle on trying to provide need-based assistance, we've seen a cutback in the proportion of grants compared to loans in Federal aid. We've seen the huge increase in Federal student loan debt—more and more students must borrow to afford a college education. At the same time we are seeing the explosion of private student loans, which often carry interest rates as high as 18 percent, which the Senator has talked about.

Does the Senator not agree with me, if we are really serious about dealing with the cost of tuition for students, we ought to deal with all of those components? As I understand, the Senator from Ohio is doing that with his amendment, to make sure we are going to, as a result of his amendment, help the neediest students in terms of Pell grants, and we are going to get help managing student loan debt by offering loan forgiveness to those in public service and by capping monthly loan repayments. We are using some $17 billion that we take from the lenders, and we are going to make sure that students will get the best possible loan—even if it's a private loan.

Mr. BROWN. That is correct. We are not regulating the banks. We are simply setting up a program so that the Government will break even. It will not cost taxpayer dollars. We are setting up a program to compete directly with private lenders, which we are certain, as my Republican friends have said, with the direct student loan program, that competition will make both operate better.

I will briefly summarize the amendment and then reserve our time.

The amendment requires the Secretary of Education to offer two types of loans, a fixed rate and a variable. Each type of loan would be offered for borrowers with or without cosigners. The Secretary would then have the discretion of designing the program to mirror other features offered by private loans such as delayed payment until after graduation or deferment for certain hardships. This amendment will clearly stop situations like this one from happening to a student, where a student goes in with a $21,000 loan and has to pay $500 monthly for 179 times and ends up paying $102,000 for a $21,000 student loan. We will see a competitive situation which will save those students dramatic amounts of money, working with what Senator KENNEDY and Senator ENZI did last week on debt forgiveness, on the Pell grants—all that will absolutely matter for students.

Mr. KENNEDY. This is providing competition; am I correct?

Mr. BROWN. Yes.

Mr. KENNEDY. So this isn't just mandating. This is creating competition, if they want competition in this area; am I correct?

Mr. BROWN. This creates a competitive situation similar to what we have had since 1939 but for students who have to borrow money beyond the $23,000 limit. It doesn't regulate the banks. It doesn't tell the banks what to do. It simply sets up a competitive situation from which all of us will gain.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, I rise to oppose the amendment. There are some statements that I would like to clear up a little bit. I would not want anybody to think that this is increasing competition. This is increasing Government price fixing. It is requiring the Secretary of Education to do the price fixing. She is the one who sets the interest rate, or he, as the case might be at the time it was put into effect. That is not the person with the expertise to know what kind of interest rate ought to be charged on anything.

I also have objection because this amendment has neither been through the Education Committee nor the Banking Committee. This is something the Banking Committee would strongly believe should be in their jurisdiction. I am glad we are having the discussion because it is very important for people to hear that you can borrow money at 18 percent, $21,000, defer all payments for 2 years, and pay off the loan in equal installments after that and wind up paying $100,000. If you are buying a car at $21,000 and you have to pay 18 percent interest and you don't have to pay anything for the first 2 years, that car is going to cost $100,000.

That comes under the subject of financial literacy. It is important for us to impress on young people today what the cost of interest means, what the cost of deferring interest means. There are people buying houses under that kind of a proposal right now. They are very surprised at how much they owe on their house. We are trying to do as much as we can in the bill on financial literacy. Part of that financial literacy would be to encourage the parents to have a home equity loan to provide for the student, and that way it is deductible on their income tax. There are a number of different ways of doing this, but I don't think having the Secretary of Education determine an interest rate would intentionally bring down the cost of interest. Hopefully, we can get banks to be responsible on the interest rates they charge. But when there is no Federal backing, no Federal guarantee on the loan, they are actually providing the loan at very high risk to a student with no collateral, which is why the interest rates come in at 18 percent. There are other ways to correct the problem other than putting this in the hands of the Secretary.

We had some experience with this before. There was a tuition credit that was initiated in 1978 to solve a huge problem at that time. It was supposed to apply to both elementary and secondary education and higher education, but it was focused on tuition tax credits for parochial schools. Almost all of the public attention was on the higher education part of it. The Carter administration very quickly came up with a two-part plan, automatic Pell eligibility for every family if their income was below $25,000, and automatic eligibility for a student loan to any student who wanted one regardless of family income. Of course, one of the things that Money magazine pointed out was that even a Rockefeller could get a loan at 9 percent. That is what the Government set the loan rate at, 9 percent.

What is the problem with that? If we had a Secretary of Education right now, and they happened to set the loan rate at 9 percent, I am sure the press would say that was absolutely terrible. On the other hand, if it was a Democrat who set it at 9 percent, they would probably say it was great. But this was the case where the Government set the rate at 9 percent. What is the problem? It was a time when interest rates were climbing through the roof and were on their way to 21 percent prime. So there was an incentive to borrow money at a fixed 9 percent rate, which is what the student loan interest rate was, and that didn't have to be repaid until after college when interest rates were going through the roof.

So students borrowed the money, put the funds in a money market, and paid it back as soon as the repayment began, having made a tidy profit on the float.

Other students borrowed money and used it to finance cars and other things unrelated to college. In fact, parents were encouraged to borrow and do home improvements and other things because they could get this 9 percent money from the Federal Government. The amount of money being borrowed jumped from $1.7 billion in 1977 and 1978 to $67.2 billion in 1980–1981, an increase of 265 percent in 4 years. Federal costs associated with student loans grew from $480 million to $2.5 billion which was also growth of 420 percent.

Under the Brown-Sanders amendment, a student attending an expensive private college could borrow the entire cost of attendance, as much as $45,000 a year, on highly favorable terms. Repayment would, indeed, start right away, but if families have college money in the bank, they can pay off the loan gradually and earn on the interest, as they do, the same as we had a problem with before.

The amendment also will encourage students to have their children borrow money for college rather than finance it through the PLUS loans or other mechanisms that would put the burden on the adults. In some cases, of course, parents will have the student take out the loans and would repay it for them.

I am suggesting this is something we haven't reviewed enough to do yet; that it would put some of the present loans in jeopardy. We have been very careful in both last week's bill and this week's to be sure that there was some competition between direct loans and the private loans. But those were reviewed over a period of time, looked at with some history, and this one doesn't have the history.

I hope we will vote against it.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. BROWN. How much time remains?

The PRESIDING OFFICER. The Senator from Ohio has 3 minutes remaining. The Senator from Wyoming has 8½ minutes remaining.

Mr. BROWN. Mr. President, I would prefer to close, if the Senator from Wyoming has any more time he would like to use.

The PRESIDING OFFICER. The Senator from Wyoming has 8½ minutes remaining. Does he choose to use more time?

Mr. ENZI. I will use some more of my time. I haven't used all of it yet today, and I probably will not on this one either.

I do have a letter I ask unanimous consent to have printed in the RECORD. It is from the American Association of State Colleges and Universities, U.S. Public Interest Research Group, and the United States Student Association.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JULY 23, 2007.

DEAR SENATOR: On behalf of students and institutions of higher education we urge you to oppose the Brown amendment to create a new supplemental loan program and eliminate all federal student loan limits. We share the desire to help students avoid risky and expensive private loans to pay for college. However, by eliminating all limits on federal student loan borrowing, this amendment may allow states to pass on more of the cost of college to students.

Federal Stafford loan limits for undergraduate students are currently set at $23,000 for dependent students and $46,000 for independent students. Students can borrow additional aid through the Perkins loan program and parents are eligible to borrow up to the cost of attendance through the PLUS loan program. Independent students, and in certain circumstances dependent students, are eligible to borrow PLUS loans when their parents do not. Despite the availability of federal student loans a growing number of borrowers are turning to the private loan market to finance their education.

The Brown amendment would create a new supplemental loan program designed as an alternative to these more expensive private loans. About 5% of undergraduate students take out private loans to finance their education each year. However, the Brown amendment would allow all students to borrow federal loans up to the cost of attendance minus other federal aid.

By eliminating all federal loan limits, the Brown amendment could have serious, negative unintended consequences on state investment in higher education. Over the past decade states all across the country have cut funding for higher education or restrained funding increases when faced with tight budgets. States have compensated by increasing the cost of college to students. Making available such a massive source of new funds, without any limitations, may have the unintended consequence of facilitating tuition increases in states across the country.

We urge you to oppose the Brown amendment to S. 1642.

For questions please contact Luke Swarthout at U.S. PIRG or Brittny McCarthy.

Sincerely,

American Association of State Colleges and Universities (AASCU).

U.S. Public Interest Research Group (U.S. PIRG).

United States Student Association (US SA).

Mr. ENZI. A few of the highlights:

Dear Senator,

On behalf of students and institutions of higher education we urge you to oppose the Brown amendment to create a new supplemental loan program and eliminate all federal student loan limits.

By eliminating all federal loan limits, the Brown amendment could have serious, negative unintended consequences on state investment in higher education.

I also have a letter from the Financial Services Roundtable. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE FINANCIAL SERVICES ROUNDTABLE,
Washington, DC, July 19, 2007.

U.S. Senate,
Washington, DC.

DEAR SENATOR: As the Senate considers S. 1642, the Higher Education Amendment of 2007, the Roundtable is writing to express our opposition to the amendment by Senator Sherrod Brown. The Financial Services Roundtable would urge you to oppose the Brown Amendment, which would ultimately be detrimental to student borrowers.

The Brown Amendment would create a new federal-run student loan program, in addition to current programs that would offer loans currently being made by private student lenders. This new government system with the ability to borrow money at government rates would essentially supplant lenders offering private student loans. The policy implications of such a program are broad and the unintended consequences are numerous.

The private market and competition most efficiently serve consumers. There are many lenders in the private student loan marketplace and competition among lenders benefits students. S. 1642 supports competition in the private student loan market, while the Brown Amendment eliminates competition.

This expansive new government bureaucracy created by the Brown Amendment would drive private lenders out of the student loan marketplace. Students would essentially have no alternative to the federal government for student loans. The federal government is not able to respond to market demands like the private market and having one lender on which student must rely is potentially problematic.

We urge you to oppose the Brown Amendment.

Best regards,

STEVE BARTLETT,
President and CEO.

Mr. ENZI. I will mention, again, a couple of highlights. They, of course, express their opposition and point out that it would ''create a new federal-run student loan program, in addition to current programs that would offer loans currently be made by private student lenders. This new government system with the ability to borrow money at government rates would essentially supplant lenders offering private student loans. The policy implications of such a program are broad and the unintended consequences are numerous.''

Once again, I reiterate that this hasn't been tested. It hasn't been vetted through the committees. Of course, when it goes through committee, that is an opportunity for a diverse group of people to put their opinions behind it, as well as to meet with stakeholders and get an outside opinion.

I would ask that Members oppose the amendment.

Does the Senator from New Hampshire wish to speak on this amendment.

Mr. GREGG. I do.

Mr. ENZI. I yield the remainder of my time to the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. How much time remains?

The PRESIDING OFFICER. The Senator is recognized for 6 minutes 24 seconds.

Mr. GREGG. How much time remains to the offeror of the amendment?

The PRESIDING OFFICER. The Senator from Ohio has 3 minutes and wishes to sum up.

Mr. GREGG. Mr. President, when we structured the arrangement between direct student lending and private lending back in the 1990s, when Senator KENNEDY was chairman of the committee, there was considerable open dialog about the fact that we were going to set an even playing field where we would allow the marketplace, essentially the students and the schools, to decide who was going to win, who would be used more often, direct lending or the private market. That was the theory.

The Senator from Massachusetts and the Senator from Indiana, at that time Mr. Coats, and I worked on this at great length. We worked out an arrangement where this was the way we would approach it. But ever since then, or at least in the last year, there has been an attempt to tilt the playing field significantly toward direct lending and to make the Government the lender of first resort and last resort for most students, even though in most instances that has been rejected both by the students and the education community.

This amendment is just an extension of that effort and is arguably an extremely expensive extension because even though the scoring rules may reflect a zero scoring—and I am not sure it will—we know those rules don't adequately reflect the cost to the Government of having participated in these types of lending programs.

What we are doing now under this amendment is saying not only do you have these base lending amounts that are available under direct lending, but you are going to be able to borrow up to the full cost of your education. So it dramatically skews the system to favor direct lending and especially to allow students and parents, as has been pointed out by the ranking member on the committee, to arbitrage that money and encourages high cost schools to become even more expensive.

One of the things we have seen is that there appears to be a direct correlation between tuition going up at schools and federally supported lending and Federal grants being increased. So the students are not usually advantaged by this expansion of direct lending and, many times, grants. It is, rather, the schools that are advantaged, especially high-end schools which simply raise their tuition to absorb whatever new money is flowing in out of the Federal Treasury. It has become a fairly cynical game on the part of many academic institutions, but it is exactly what has happened.

This amendment needs a hearing. It needs to be vetted very aggressively in committee, as the Senator from Wyoming, the ranking Republican, pointed out. It basically, in my humble opinion, right up front, undermines three of the basic principles we should be trying to resist occurring.

The first principle is we not unduly tilt the playing field in favor of direct lending over private lending or private lending over direct lending. Last week's amendment, which I think took a significant amount of money out of the subsidy for private lending, was a good step in the direction of not allowing private lending to get an advantage. This amendment should not be passed because it gives direct lending an unfair advantage.

Secondly, it should not create an atmosphere where students are pushed toward higher income schools, higher cost schools, and where parents and students are allowed to basically game the system through arbitraging funds—borrowing at one rate, lending at another rate—assuming they had some other sources of revenue.

Thirdly, it should not encourage this process which is occurring out there of giving significant resources without any discipline to higher education facilities so they can then raise their tuition, at the expense of students who do not have these types of resources to pay these loans or who do not qualify for these loans and end up with education becoming more expensive simply because the higher education institutions see there is easy money out there to capture, and they do not have to be disciplined in managing their education systems.

So there are a lot of issues this raises—a lot of issues. Now, I know the basic goal of some on the other side is to move the whole thing to direct lending. Unfortunately, that has become the cause célèbre around here, and the purpose. Much like universal health care, they would like to have universal Federal lending policies around here. But the private sector plays a significant and constructive role in making college affordable for American students, and has.

The original agreement, which was reached in the 1990s to make the playing field balanced and fair and to keep it balanced and fair, is the way we should proceed. We should not be putting in place, out of the clear blue sky, a brand-new major direct lending program which will undermine some of the

major tenets and efforts we have undertaken in higher education lending.

Mr. President, I reserve the remainder of the time for the ranking member.

Mr. BROWN. Mr. President, how much time do the opponents of the amendment have?

The PRESIDING OFFICER. Those opposed have 49 seconds.

Mr. BROWN. I thank the Chair. I will close.

We know several things. We, first of all, know that my amendment sets up a competition. It does not set up, it does not run the system. It simply sets up a competition. It does not tilt the playing field. It makes the playing field even so interest rates will not continue to be at a usurious rate of 16 and 17 and 18 percent.

We know the Direct Loan Program works. We have seen the Government involved in the Direct Loan Program, as in Pell, as in Stafford. The Government, in fact, has negative subsidy rates of 7 percent and 4 percent. In other words, the Government has done these so efficiently that the Government either breaks even or actually makes money.

We know my amendment does not take effect until students have exhausted up to $23,000. There are other opportunities to get financing for college. It only goes there. It is not a new program that simply will take people in because it is tilted, as my friend, the Senator from New Hampshire, says. We also know if we do nothing, as USA Today said: There is just one problem. The efforts short of this amendment would do little to rein in the fastest growing area of the market—loans that are not federally backed whose rates can generally rise without limit. Bills in Congress would not affect rates on these loans, also often called private loans, until this amendment.

The ranking member said he hopes the banks charge lower interest rates. The fact is—as the Senator from New Hampshire talked about gaming the system—the banks are gaming the system. That is why this woman from Cincinnati had to—on a loan of $21,000—pay $102,000 back, at 18 percent interest.

We just want some competition. I do not want to see the easy money—the Senator from New Hampshire talks about the easy money. It is easy money for the banks. It is huge profits for the banks.

This is really a decision that comes down to, are you going to support students in giving them the opportunity to go to school? This is not buying a car. This is not making car loans. This is providing an opportunity for a lot of students. It is their first chance to go to college.

My wife went to college, enrolled at Kent State University 30 years ago. She was the first one in her family to go to college. She probably could not do that today because the loans and the grants are not available the way they were 30 years ago. She probably would have either not been able to go to school because she could not have put the financial package together or she would have seen a situation where she would have been burdened with such huge loans, huge debt when she graduated.

There is the choice, are you voting for students in this country—giving opportunity to middle-class students, opportunity to working families—or are you going to vote to support the banks so they can continue to charge these kinds of 15, 16, 17, 18 percent interest rates?

Mr. President, I ask for support of the Brown amendment.

I yield back my time.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, I ask unanimous consent that a letter from the Consumer Bankers Association be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONSUMER BANKERS ASSOCIATION,
Arlington, VA, July 23, 2007.

DEAR SENATOR: I am writing to let you know of the strong opposition of the Consumer Bankers Association to an amendment that will be offered by Senator Brown to the S. 1624, the Higher Education Act Amendments of 2007. The Brown Amendment would create a new ''Federal Supplemental Loan Program.''

The effects of this program are hard to ascertain as it is being proposed with little input from anyone involved with or affected by student financial assistance programs. There have been no hearings or other public discussion of this massive proposal. We understand that student and school groups oppose the legislation, and we urge you to read letters to that effect from their representatives.

The loan program envisioned by this legislation would enlarge the government by tens of billions of dollars a year and represents an attempt to fully nationalize student lending, putting all responsibility for making and collecting tens of billions of dollars in new loans every year into the hands of the Department of Education and its contractors.

A private student lending system already exists; it is competitive and serves the needs of millions of students every year. The Brown Amendment is attempting to replace this system with a government-only monopoly that will eliminate students' and parents' choice of lender. This will only put a stop to innovation and improvement while doing nothing about the high cost of higher education.

We urge you to oppose the Brown Amendment to S. 1624.

Sincerely,

JOE BELEW,
President.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, just for the benefit of Members, I think we will have a rollcall vote on the Senator's amendment. We will work out with the leadership the time for that vote. I think that is going to be the way we are going to proceed.

I see the Senator from Illinois on the Senate floor now who has an amendment and, hopefully, we will be able to address that at the present time.

The PRESIDING OFFICER. The Senator from Illinois.

AMENDMENT NO. 2377

Mr. DURBIN. Mr. President, I rise today to offer the John R. Justice Prosecutors and Defenders Incentive Act as an amendment to the Higher Education Act of 2007.

This amendment would create a targeted student loan repayment assistance program that will bolster the ranks of attorneys in the criminal justice system in America.

I think the need for this amendment is clear. Prosecutor and public defender offices throughout the country are having serious difficulties recruiting and retaining qualified attorneys.

In a recent survey, over a third of prosecutor offices nationwide reported problems with keeping attorneys on staff. Over 60 percent of prosecutor offices that serve populations of 250,000 or more reported serious problems with the retention of attorneys.

The story is the same for public defender offices. Another recent survey found that over 60 percent of State and local public defender offices reported difficulty in attorney recruitment and retention.

When prosecutor and defender offices cannot attract new lawyers or keep experienced ones, their ability to protect the public is compromised. Caseloads become unmanageable, cases can be delayed or mishandled, crimes may go unprosecuted, and innocent defendants may sit in jail.

Why is it that prosecutor and defender offices are struggling to keep attorneys on staff? I will tell you one major reason: student loan debt.

Over 80 percent of law students take out loans to finance their legal education. The average educational debt for law school graduates in the class of 2005 was almost $79,000 for private school graduates, and $51,000 for public school graduates. Two-thirds of law students also carry additional debt from their undergraduate experience.

In light of this, it is not surprising that two-thirds of law students in a recent national survey stated that student loan debt prevented them from even considering a public interest or Government job—two-thirds of law school graduates. Of those dedicated law graduates who initially accept criminal justice jobs, many cannot stay. They just cannot afford to do so with the student loans they face.

The higher education reconciliation bill we passed last week does much to address student loan debt in general for those who have already been in public service for 10 years. There is student loan forgiveness. There is a cap on how much a graduate would have to repay for a period of time, and at the end of 10 years there is student loan forgiveness.

But, unfortunately, it does not go far enough to address the urgent need to help our criminal justice system recruit and retain qualified attorneys.

We need a special solution to provide immediate assistance.

My amendment, the John R. Justice Prosecutors and Defenders Incentive Act, is a tailored solution. My amendment would establish, within the Department of Justice, a program of student loan repayment assistance for borrowers who agree to remain employed for at least 3 years as State or local criminal prosecutors or as State, local, or Federal public defenders.

I should point out that Federal prosecutors are already eligible for loan relief through existing programs.

Under my amendment, borrowers could enter into another agreement, after the 3-year minimum, for an additional period of service. Attorneys who participate in this program can receive student loan debt repayments of up to $10,000 annually, with a maximum over time of $60,000. Repayments would begin with the first year of service. But, remember, there is no repayment unless there is a pledge to work at least 3 years, and then an opportunity to come back for another 3 years. So a commitment has to be made.

The program gives priority in repayment benefits to attorneys who have the least ability to repay their loans. It ensures a fair allocation of benefits among prosecutors and defenders nationwide.

If an attorney receives loan repayments under this program but does not complete the agreed-upon period of service, they have to pay back the money.

The John R. Justice Act is modeled on existing loan repayment programs that cover Federal executive branch employees and the Department of Justice. They have been demonstrated to be a great success as an attorney recruitment and retention tool.

Simply put, a targeted loan repayment assistance program such as this one would make criminal justice careers more feasible and more attractive to qualified attorneys.

Let me say, this bill has passed out of the Senate Judiciary Committee twice. It has strong bipartisan support. It was brought to me by the prosecutors and the defenders in our criminal justice system. As we read in the news about case after case where those in prison have had their prosecutions reevaluated, we understand that competent counsel is the bedrock of a good system of criminal justice. We need the very best attorneys on both sides of the table—prosecuting those who have been accused of a crime and defending those who have that presumption of innocence in America.

This bill has strong bipartisan support, with 38 Senate cosponsors. Companion legislation in the House passed by a vote of 341 to 73. It is supported by prosecutor, defender, and criminal justice organizations. I urge my colleagues to support their State and local prosecutors and defenders, and to support this legislation.

It has, among others, the support of the National District Attorneys Association, the National Association of Prosecutor Coordinators, the National Legal Aid and Defender Association, the National Association of Criminal Defense Lawyers, the American Council of Chief Defenders, the National Juvenile Defender Center, the American Bar Association, the Conference of Chief Judges, and the American Law Deans Association.

Mr. President, I would like to ask, is there an amendment currently pending on this legislation?

The PRESIDING OFFICER. There is an amendment pending.

Mr. DURBIN. Mr. President, I ask unanimous consent that the amendment be set aside and I send this amendment to the desk. Then, of course, I would agree to step back in line and defer to the chairman and ranking member as to the sequence of amendments that will be called later. So I ask unanimous consent that be the order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN] proposes an amendment numbered 2377.

Mr. DURBIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide loan repayment for prosecutors and public defenders)

At the end of title IX, add the following:

PART E—OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968

SEC. 951. SHORT TITLE.

This part may be cited as the ''John R. Justice Prosecutors and Defenders Incentive Act of 2007''.

SEC. 952. LOAN REPAYMENT FOR PROSECUTORS AND DEFENDERS.

Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711 et seq.) is amended by inserting after part II (42 U.S.C. 3797cc et seq.) the following:

''PART JJ—LOAN REPAYMENT FOR PROSECUTORS AND PUBLIC DEFENDERS

''SEC. 3001. GRANT AUTHORIZATION.

''(a) PURPOSE.—The purpose of this section is to encourage qualified individuals to enter and continue employment as prosecutors and public defenders.

''(b) DEFINITIONS.—In this section:

''(1) PROSECUTOR.—The term 'prosecutor' means a full-time employee of a State or local agency who—

''(A) is continually licensed to practice law; and

''(B) prosecutes criminal or juvenile delinquency cases at the State or local level (including supervision, education, or training of other persons prosecuting such cases).

''(2) PUBLIC DEFENDER.—The term 'public defender' means an attorney who—

''(A) is continually licensed to practice law; and

''(B) is—

''(i) a full-time employee of a State or local agency who provides legal representation to indigent persons in criminal or juvenile delinquency cases (including supervision, education, or training of other persons providing such representation);

''(ii) a full-time employee of a nonprofit organization operating under a contract with a State or unit of local government, who devotes substantially all of his or her full-time employment to providing legal representation to indigent persons in criminal or juvenile delinquency cases, (including supervision, education, or training of other persons providing such representation); or

''(iii) employed as a full-time Federal defender attorney in a defender organization established pursuant to subsection (g) of section 3006A of title 18, United States Code, that provides legal representation to indigent persons in criminal or juvenile delinquency cases.

''(3) STUDENT LOAN.—The term 'student loan' means—

''(A) a loan made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.);

''(B) a loan made under part D or E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087a et seq. and 1087aa et seq.); and

''(C) a loan made under section 428C or 455(g) of the Higher Education Act of 1965 (20 U.S.C. 1078–3 and 1087e(g)) to the extent that such loan was used to repay a Federal Direct Stafford Loan, a Federal Direct Unsubsidized Stafford Loan, or a loan made under section 428 or 428H of such Act.

''(c) PROGRAM AUTHORIZED.—The Attorney General shall establish a program by which the Department of Justice shall assume the obligation to repay a student loan, by direct payments on behalf of a borrower to the holder of such loan, in accordance with subsection (d), for any borrower who—

''(1) is employed as a prosecutor or public defender; and

''(2) is not in default on a loan for which the borrower seeks forgiveness.

''(d) TERMS OF AGREEMENT.—

''(1) IN GENERAL.—To be eligible to receive repayment benefits under subsection (c), a borrower shall enter into a written agreement that specifies that—

''(A) the borrower will remain employed as a prosecutor or public defender for a required period of service of not less than 3 years, unless involuntarily separated from that employment;

''(B) if the borrower is involuntarily separated from employment on account of misconduct, or voluntarily separates from employment, before the end of the period specified in the agreement, the borrower will repay the Attorney General the amount of any benefits received by such employee under this section;

''(C) if the borrower is required to repay an amount to the Attorney General under subparagraph (B) and fails to repay such amount, a sum equal to that amount shall be recoverable by the Federal Government from the employee (or such employee's estate, if applicable) by such methods as are provided by law for the recovery of amounts owed to the Federal Government;

''(D) the Attorney General may waive, in whole or in part, a right of recovery under this subsection if it is shown that recovery would be against equity and good conscience or against the public interest; and

''(E) the Attorney General shall make student loan payments under this section for the period of the agreement, subject to the availability of appropriations.

''(2) REPAYMENTS.—

''(A) IN GENERAL.—Any amount repaid by, or recovered from, an individual or the estate of an individual under this subsection shall be credited to the appropriation account from which the amount involved was originally paid.

''(B) MERGER.—Any amount credited under subparagraph (A) shall be merged with other sums in such account and shall be available

for the same purposes and period, and subject to the same limitations, if any, as the sums with which the amount was merged.

''(3) LIMITATIONS.—

''(A) STUDENT LOAN PAYMENT AMOUNT.—Student loan repayments made by the Attorney General under this section shall be made subject to such terms, limitations, or conditions as may be mutually agreed upon by the borrower and the Attorney General in an agreement under paragraph (1), except that the amount paid by the Attorney General under this section shall not exceed—

''(i) $10,000 for any borrower in any calendar year; or

''(ii) an aggregate total of $60,000 in the case of any borrower.

''(B) BEGINNING OF PAYMENTS.—Nothing in this section shall authorize the Attorney General to pay any amount to reimburse a borrower for any repayments made by such borrower prior to the date on which the Attorney General entered into an agreement with the borrower under this subsection.

''(e) ADDITIONAL AGREEMENTS.—

''(1) IN GENERAL.—On completion of the required period of service under an agreement under subsection (d), the borrower and the Attorney General may, subject to paragraph (2), enter into an additional agreement in accordance with subsection (d).

''(2) TERM.—An agreement entered into under paragraph (1) may require the borrower to remain employed as a prosecutor or public defender for less than 3 years.

''(f) AWARD BASIS; PRIORITY.—

''(1) AWARD BASIS.—Subject to paragraph (2), the Attorney General shall provide repayment benefits under this section—

''(A) giving priority to borrowers who have the least ability to repay their loans, except that the Attorney General shall determine a fair allocation of repayment benefits among prosecutors and public defenders, and among employing entities nationwide; and

''(B) subject to the availability of appropriations.

''(2) PRIORITY.—The Attorney General shall give priority in providing repayment benefits under this section in any fiscal year to a borrower who—

''(A) received repayment benefits under this section during the preceding fiscal year; and

''(B) has completed less than 3 years of the first required period of service specified for the borrower in an agreement entered into under subsection (d).

''(g) REGULATIONS.—The Attorney General is authorized to issue such regulations as may be necessary to carry out the provisions of this section.

''(h) STUDY.—Not later than 1 year after the date of enactment of this section, the Government Accountability Office shall study and report to Congress on the impact of law school accreditation requirements and other factors on law school costs and access, including the impact of such requirements on racial and ethnic minorities.

''(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $25,000,000 for fiscal year 2008 and such sums as may be necessary for each succeeding fiscal year.''.

Mr. DURBIN. Mr. President, I will defer to the chairman and ranking member as the sequence of amendments are considered on the bill. My amendment, I assume, is currently pending, but I understand if there is a different sequence both of these Senators would seek.

I thank the Chair.

The PRESIDING OFFICER (Mr. KENNEDY). The Senator from Wyoming is recognized.

Mr. ENZI. Mr. President, I appreciate the Senator being willing to allow us to go back to the previous amendment or on to another amendment. We have one more that will be presented on our side. I think there is another one that will be presented on the Democratic side.

I do have to oppose this amendment. I understand the importance, the desire, but I would oppose it on the basis that we spent a lot of time last week doing this same thing. I appreciate the time the Senator from Massachusetts, Mr. KENNEDY, took to explain to everybody what we were doing in a very general way so we did not have to pick one profession over another profession so we could give some reduced loan repayments and then forgiveness to public prosecutors, defenders, teachers—a whole category, a whole bunch of service sector people. There was a lot of support, although we spent more time debating that part than we did several other parts of the bill, showing there is some discomfort with doing that, but also support for doing that, but in a general way.

When we start picking out one particular area of Federal service over others, what we are doing is touching off a whole raft of people coming in with their particular public service and asking for the same kind of a reduction. Of course, if we do that for everybody, we have increased the cost considerably. We ought to start with the proposal that is in there, and after that works, make modifications to it, rather than encouraging every specialty of public service to come in and do that as well.

I know the Judiciary passed it. That does not surprise me. That is a special Judiciary category. If it were a category coming through one of the other committees that dealt with their committee, it would get that same kind of support. But what we tried to do is come up with a way we could have fairness between professions. Each of the professions we talked about have some special needs, and we would be able to encourage and incentivize people to go into those professions earlier, quicker, and with less debt if we have this same kind of proposal for them. So I hope we will resist separating the prosecutors and public defenders at this point in time when we have included them in other language with loan forgiveness. Although it is not as short a period of time as the Senator might like, I think it is what we ought to do at the present time, and we shouldn't be increasing the program and then leveraging everybody else at the same time.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER (Mr. KENNEDY). The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, I respect the Senator from Wyoming. I wish to make sure we understand what happened last week. It was a good thing. We basically kept the amount that all student borrowers would pay based on the income they receive. As I understand the bill that was passed last week, which I was happy to support, there is a cap at 15 percent of the discretionary income of graduate students for those loans that are either in the Direct Loan Program or consolidated into the Direct Loan Program.

Basically, what it means from the chart I saw is that students, instead of paying back $600 or $700 a month, might face half that amount they would pay back because of the limit they would pay each year of 15 percent discretionary income, which I understand to be gross income less 150 percent of poverty for the student or the graduate in that category.

The reason I have come back this week to offer this is because we are talking about a group of individuals who are in an exceptional circumstance. They are people who will face an even greater debt than most college graduates. In addition to their undergraduate debt, they have the debt of a law education, which, as I noted here, can be substantial—almost $80,000 for those who have gone to public law schools, and $50,000 for those in private law schools on top of their undergraduate debt. Then we find that two-thirds of these students cannot seriously consider taking any job in public service or Government work because of the amount of their debt. So we have prosecutors coming in from all over the United States—and I would bet from your own State—saying: We are having some difficulties here. We can't attract the kind of talented young men and women from law schools, because of their debt, to come work as prosecutors and defenders in the criminal justice system and once there, we can't keep them. As soon as they have a good offer to go with a private firm, they leave. One of the compelling reasons is the fact that their student debt is so high.

So even though the bill passed last week is a good step, it is not adequate to the task. These particular graduates face more debt—dramatically more debt—than ordinary undergraduates or even graduate degree students in America. We have a special need. I would say to the Senator from Wyoming, I guess you can argue that this is special interest because it deals with our system of justice, but I think we all concur that as legislators, we can pass the best laws in the world in the criminal justice system, but if we don't have well-trained and competent lawyers prosecuting those cases on behalf of the people of this country, defending those charged on behalf of those who have been named defendants, then our system of justice will not work as well as it should.

I will concede that this goes after a special group, but I think there are special circumstances that warrant it.

So I hope the Senator will reconsider his opposition to this. As I said, it has bipartisan sponsorship because I think

people realize that if we don't do this, we will diminish this branch of our Government which is so important for our democracy.

Mr. ENZI. Mr. President, I thank the Senator for his explanation. I would suggest that the phones are probably ringing off the hook over in my office saying: My public service profession is as important as those public defenders, and that is probably what this phone call was on the floor over here earlier as well.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

AMENDMENT NO. 2369

Mr. COBURN. Mr. President, I ask unanimous consent to set aside the pending amendment and call up amendment No. 2369 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. DURBIN). Is there objection?

Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Oklahoma [Mr. COBURN] proposes an amendment numbered 2369.

Mr. COBURN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To certify that taxpayers' dollars and students' tuition support educational rather than lobbying activities)

At the end of title I of the bill, insert the following:

SEC. 114. DEMONSTRATION AND CERTIFICATION REGARDING THE ABSENCE OF PAYMENTS FOR INFLUENCE.

Each institution of higher education or other postsecondary educational institution receiving Federal funding, as a condition for receiving such funding, shall annually demonstrate and certify to the Secretary of Education that no student tuition amounts or funds from a Federal contract, grant, loan, or cooperative agreement received by the institution were used to hire a registered lobbyist or to pay any person or entity for influencing or attempting to influence an officer or employee of any agency of the Federal Government, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal action.

Mr. COBURN. Mr. President, I wish to thank Senator KENNEDY and Senator ENZI for allowing me to offer this amendment. Everything I try to do is toward transparency in our Federal Government, because what you cannot measure, you cannot manage.

This is a very simple amendment. What we know is that in the last 7 years, the cost of a 4-year college education has doubled. It has gone from $2,700 to $5,800 at State universities. It has gone from about $10,500 to $23,000 at private universities. The costs have doubled. It is the only thing in this country that is rising twice as fast as the cost of health care. We ought to ask ourselves why.

This amendment is very clear. What it says is if you are a university and you are lobbying Congress, you have to certify to Congress that you are not spending tuition money or other Federal money that you have gotten for a project for your students or for your university in terms of lobbying to get more money.

This, by the way, was excluded from the lobbying and ethics bill we considered. I have some experience on it because last year, as chairman of the Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security of the Committee on Homeland Security and Governmental Affairs, I queried 500 colleges and universities in this country, asking them about their earmarks. I asked them how they spent the money. The interesting thing is only 50 percent of them replied, and of the 50 percent that replied, only half of them actually knew where the money went. The other half didn't dare reply, either because they didn't know where the money went or the money didn't go for the purpose it was earmarked. So we have a grave problem in terms of earmarks.

Let me give my colleagues some statistics about what has happened. First of all, in 2005, $127 million were spent by universities to lobby our institution to get earmarks—$127 million. Divide that and see how many kids we could educate in this country with that amount of money that was spent on lobbying.

What we do know is between 1996 and 2005, the number of earmarks at the Department of Education increased by 29,375 percent. I wonder if that has anything to do with this marked increase of 14.5 percent per year in the cost of a college education.

Those earmarks—the overall cost of the earmarks came to a half a billion dollars a year last year—a half a billion dollars in earmarks. What we also saw—that was in the Department of Education. Then, separate earmarks for separate universities and colleges in the same time period increased from 369 to 1,964, up to $2 billion a year. Now, you would think that for $2.5 billion a year, we ought to be able to see where the money is spent. We ought to have transparency to see.

There are several problems with our earmarking, and the biggest problem is we choose to pick winners and losers. When we do that on research and development at our universities, which are the ones we want to do it to, when we do it, we say that the peer review scientific community shouldn't have any input. That is what we are saying. Consequently, when we spend $2.6 billion on earmarking specific projects at universities, what we are doing is getting a whole lot less value for our money. What we do know is if we let the scientists, through peer-reviewed guidance of scientific discovery, tell us where to go next, we will get two to three to four times return on our research than when I, as a Senator from Oklahoma, decide to earmark a specific research project at a university in the State of Oklahoma.

Now, the question we should be asking—similar to the amendment of the Senator from Illinois—where is the money going to come from? The true deficit last year was $434 billion. That is not what we told the American people, but that is how much our debt increased, so that is what the actual increase in expenditures over the increase in revenues was. If I was a prosecutor, I would love Senator DURBIN's amendment, if I owed the money.

But the principle we should be thinking about is this: Why are we having trouble getting the best into the offices of the public defenders and the prosecutors? Because we don't pay enough. What Senator DURBIN is attempting to do is a State function. It is an indirect payment. We are going to pay off loans, we are going to have loan forgiveness for this group of people when, in fact, the way we should be enhancing that is having States choose to increase reimbursement for people who fulfill that very worthy task.

So what we are actually doing is jumping all over States' rights, because States haven't increased those fees, as they should, because they don't evidently value it the way the 38 cosponsors of the Durbin amendment do, and we are saying: Time out. It is not your responsibility; we are going to do it. It is the same type of thing we have in terms of earmarks.

This amendment is very simple. Certify to Congress, if you are getting Federal funds and you want more Federal funds in terms of earmarks or grants, that you are not going to spend that money or your students' tuition to come up here to get more money. What you ought to do is use your endowment.

There are some very interesting statistics on endowment that I would like to alert my colleagues to so everybody can be aware. I commend to my colleagues a 2006 National Association of College and University Business Officers Endowment Study.

The top 25 universities in this country have $178 billion in endowments. Now, if they earn 6 percent on that, that is $9 billion a year that they have funds available to them to do research with, or whatever else they want to do. If you take the entire group of endowments, which is some 20 pages long, what you find is a massive amount of money that is endowed.

Why do people give to universities? They give to universities to secure their future because they felt rewarded by the gift they gave them of education. Yet we have almost $1 trillion in endowments in this country in universities, and we are saying we need earmarks. We need extra moneys. Fine. If we do need extra moneys for research, let's let the peer-reviewed scientific community tell us where to go. Let's put the research at the place that it is going to get us the best return, rather than one that has the greatest

political pull. That makes absolute sense to anybody outside of Washington.

Now, it doesn't make sense if you are trying to get something for your university, and University X obviously has the expertise, but you want it at your university. So what do we do? We end up paying double. We are going to fund one that is not as efficient, not as capable, and not as successful at the expense of the university that is far more capable of doing that.

A lot of the university earmarks came about because it was stated they couldn't compete on the grant process; that the major universities—those top 25 research universities in the United States—could outcompete them all on grants. So we did some things when we doubled NIH funding. We did allow for things. What has happened is a pox on our house. We have gone to this large number of earmarks, 2,000 earmarks a year for universities, and we are not getting our money's worth for them.

I come back to one of the reasons I would like for us to consider this amendment: How do you tell a student who is working a second job, who can't afford a tutor, he has borrowed student loans up to his gills and is trying to make it, that a percentage of his university's budget out of his tuition is coming up here to get another earmark that is not necessarily going to be efficient or not going to enhance or advance his education or her education?

So it is real simple. Transparency creates accountability.

I ask unanimous consent to have printed in the RECORD four case studies—one from the University of Alaska, one from the University of North Carolina, Chapel Hill, one from the University of Georgia, and one from Iowa State University—on what they have done with earmarks and how they have spent them. It is remarkable.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Lobbyist confirms that academic earmarks are indeed a ''gateway drug on the road to spending addiction'': Earmarks are the ''gateway drug to the spending addiction.'' A lobbyist for one of the universities polled (the University of Alaska) agrees. According to a profile of this lobbyist in the Chronicle of Higher Education, ''She equates getting earmarks to having a heroin addiction. 'Once you start getting them, it's hard to let go.'" It's noteworthy that this same lobbyist advised her institution not to respond to the Subcommittee's oversight request on the University of Alaska's past earmarks.

''Martha Stewart, director of federal relations for the University of Alaska, is one who said her institution would not respond.

''Stewart said she showed the Coburn request to the Alaska Congressional delegation, including the office of Stevens, whose clout as an appropriator and earmarker is legendary.

''Answering the letter 'would be providing someone with bullets to shoot you,' said Martha Stewart, director of federal relations for the University of Alaska system. She said she assumes that Senator Coburn would use the information to try to block Alaska's requests for earmarked projects—which she declined to describe—from appropriations bills for the 2007 fiscal year, which begins October 1.''

Lobbying for academic earmarks is on the rise: In 2003, it was reported that:

''[T]he brisk rate of growth has outpaced almost all other sectors that pay for lobbyists. That has made higher education one of the biggest players on the lobbying scene in Washington, on a par with defense contractors and ranking ahead of some other large, influential interest groups such as lawyers, labor unions, and the construction industry, according to rankings compiled by Political Money Line, a company that tracks lobbying reports . . . By far the single biggest reason for the spurt appears to be the appetite colleges have for pork-barrel projects. The burst in lobbying came at a time when Congress was quadrupling spending on directed, noncompetitive grants from $495-million to $2-billion. Such earmarks were rare 20 years ago, but the floodgates opened in the late 1990s.''

Even though universities claim to be lobbying innocently for general education funding increases, in fact, this lobbying is often for specific projects: In response to the Subcommittee's questions, a number of universities reported that the lobbyists they hire are to help them reach out to Congress for general issues related to academia and the need for more federal research dollars. But there's some evidence that schools are lobbying for specific projects:

''The Chronicle collected and analyzed lobbying-disclosure reports for all colleges, universities, and other academic institutions for the 1998, 2001, and 2003 calendar years. . . . While the reports are supposed to state the purpose of the lobbying, the wording often mentions federal appropriations generally, not specific projects.

''The reports do show that not all of the academic lobbying is for earmarks . . . But at many colleges, officials don't feel compelled to pay lobbyists to spend lots of time on those and other policy issues because they know places like Yale and Rutgers are already making the case, as are higher-education associations like the American Council on Education.

''*Most institutions apparently prefer to concentrate their lobbying dollars on getting earmarks.*'' [Emphasis added.]

The resistance universities show to disclosing information about their lobbying activities suggests that they recognize the unsavory nature of this sort of spending. The Subcommittee specifically asked about the use of lobbyists to help obtain earmarks.

The response—or lack of it—was surprising. Despite receiving taxpayer money for special projects, some universities were still unwilling to answer the question. Of the top 50 pork recipients for 2003, and the top 50 R&D ranked universities questioned: 23 wouldn't respond to whether they retained a lobbyist—they simply skipped the question or did not write a letter response at all; 6 said they had ''considered'' hiring a lobbyist, but didn't respond whether they had actually hired a lobbyist or not, and two said they had ''no plan to retain a federally lobbyist at the moment''; 22 stated that they retained a contract lobbyist; 14 stated that they had not hired a contract lobbyist; and 5 stated they had hired a contract lobbyist in the past, but not at the time of their response.

CASE STUDY: UNIVERSITY OF GEORGIA

Which comes first—the lobbyist or the earmark? And is either actually a value to a student? At the University of Georgia—it's hard to tell. The university retains a lobbyist who seems to be an expert in the peanut and Vidalia onion industry, among other things, and the University has received federal earmarks for research on Vidalia onions and peanuts. However, because the University is hiding information on those particular earmarks, it's hard for students and taxpayers to judge the educational value of the projects.

In fact, the university tasked its lobbyist with responding to the Subcommittee inquiry. The response was sent from the email account of ''C. Randall Nuckolls, Washington Counsel, University of Georgia, McKenna Long & Aldridge LLP.''

According to the Center for Responsive Politics' OpenSecrets.org website, Mr. C. Nuckolls' firm, McKenna Long & Aldridge, earned $160,000 in 2006 from its contract with the University of Georgia.

In addition, data compiled by the Center for Responsive Politics shows that the University of Georgia also paid another lobbyist, Robert Redding, Jr., $40,000–$60,000 each year for the years 2000–2006. In 2006, the University paid $20K for the main university campus and $20K for the University of Georgia School of Agriculture & Environmental Sciences. Robert Redding, Jr., also represents the Georgia Peanut Commission, the National Association of FSA County Office Employees, and the Vidalia Onion Business Council, among others.

In response to the question about its past earmarks, the university supplied the subcommittee with a three page attachment with the titles of only 9 earmarked projects from 2000–2006, the amount of funding, the funding agency, and a short description of the earmark projects. The total value of projects listed was $62.117 million. That's 9 earmarks reported, for the 7-year period from 2000–2006.

However, the Chronicle earmarks database tells a different story. The database lists 53 earmarks distributed over just four of the years in that 7-year period, worth nearly $41 million to the University of Georgia. Information after 2003 is unavailable because earmarks grew so much that the publication no longer had the resources to keep track of them.

Meanwhile, the Congressional Research Service has refused to conduct research in this area, despite repeated requests.

Two earmarks the University failed to report to the Subcommittee come from the U.S. Agency for International Development's (USAID) budget. One earmark, for $200,000 in 2000 was ''for support above what the agency would otherwise have spent, to promote the availability of food in developing nations by educating leaders to manage natural resources.'' The second earmark, for $200,000 in 2000, was for ''for support above what the agency would otherwise have spent, to improve the production, processing, and marketing of peanuts in developing nations as a high-protein food source.''

Even when the university did report earmarks, it grouped them in vague categories, particularly those from the Department of Agriculture. The Chronicle database is more forthcoming about what the university merely described as ''Ag special research grants.'' These types of earmarks come from a pork-slush-fund at USDA, and include the following for the University of Georgia: $16 million from 2001–2003 to conduct ''research to combat fusarium head blight, or scab, a fungus that damages wheat and barley''; $170,470 in 2003 to ''develop the cultivation and marketing of grass-fed cattle raised in the Appalachian region''; $488,615 over three years for ''research on predation by small mammals, such as raccoons and foxes, on ground-nesting game birds''; $657,000 over two years for ''research on pests, soil quality, and water quality related to the cultivation of peanuts''; $800,000 over two years for research on the ''quality of cotton fibers'';

$493,000 over two years ''to study the quantity of water used in agriculture in Georgia''; $1,972,000 over four years for ''research on canola''; $1,800,000 in 2000 for ''unspecified research''; $1,091,000 over three years for the for the National Center for Peanut Competitiveness, ''which works to improve peanut-production methods and product safety''; $694,000 over three years ''for research on tomato-wilt virus, which damages peanuts'' $350,000 over three years ''to develop pungency-testing procedures to improve the quality and ''sensory consistency'' of Vidalia onions''; $64,000 in 2000 to ''to develop better methods of monitoring and controlling termites and ants''.

That's 12 projects under one vague category reported to the Subcommittee as one item. What else is the University of Georgia hiding?

CASE STUDY 2: IOWA STATE UNIVERSITY

When asked by the Subcommittee to provide a list of past appropriations from the year 2000 to present, and the amount of assistance received, Iowa State University apparently did not have this information available in any form that could be presented to the Subcommittee. The university asked for additional time to comply with the request, along with answering a few of the questions in the initial response.

The university was granted more time by the Subcommittee to complete a response. Three months after the original request date, the university sent a second response letter, a notebook containing summaries of Iowa State University Congressionally directed funding 2000–2006 (minus the requested actual funding amounts), and 6 boxes containing, according to the letter, ''540 published reports, studies, and other materials that had been produced throughout the requested timeframe.''

Quotes from second response:

''I want to thank you for making this request, because compiling this information has proved very useful to the university. We have added this information to our own on-campus process of evaluation and review of federally appropriated projects. To that end, we took great care to make sure that we collected and reviewed all relevant information for our own purposes as well as your request. We regularly go to great lengths to assure the merit and value all university research, but I am also aware of the importance of additional informed review. Following this letter is a compilation of the congressionally directed funding that Iowa State University has received from FY2000 through FY2006.''

The second response from Iowa State University was heavy on detail when it came to lists of published reports (provided only for some projects; others included far less detail), but not when it came to requested information. Only one of the 31 earmark summaries included in the notebook sent by the University contained a table breaking out funding streams by sponsoring agency for the earmark in Question. but even that table did not include the years the university received funding for the project, and the table was rife with acronyms (a practice well known in D.C. and apparently also in the academic world) and therefore not easily decipherable. Only one other project included a paragraph describing the history and origin of the earmark, and some information on the funding stream, as well as details on significant oversight by the lead agency from which the funding originated.

Despite the reams of paper provided by the university, The Chronicle database lists a significant number of earmarks which do not appear in the project summaries provided by Iowa State University. However, what is even worse is the university's lack of responsiveness on the funding for the earmarks they chose to highlight to the subcommittee: the total value of the earmark funding from the Chronicle database for the years 2000 through 2003, is over $83 million. Information after 2003 is unavailable because earmarks grew so much that the publication no longer had the resources to keep track of them.

CASE STUDY 3: UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL

In response to the FFM Subcommittee's oversight request, the university provided a list of 17 earmarks spanning six years, from 2001–2006, worth a total value of $17.7 million. The university included brief, one sentence ''program objectives'' for each earmark it listed its response. These cursory sentences do not answer the Subcommittee's request for detailed descriptions, findings and accomplishments for each project.

According to the University, 8 of those projects were funded from earmarks handed out over the years 2001–2003 with a value of $6.975 million. However, in contrast, over the same timeframe, the Chronicle database lists 10 non-shared earmarks, and two shared earmarks distributed over 2001–2003, with a total value of a little over $14 million.

According to data in the Chronicle earmarks database, for the three years 2001–2003, the university failed to include and report on the following earmarks funding 6 projects with a total value of $12.593 million. Without Chronicle data, who would know the difference—and who knows for the years 2004 through 2006 since information after 2003 is unavailable because earmarks grew so much that the Chronicle no longer had the resources to keep track of them. Here are the six projects: $3.5 million over three years from the Department of Defenses for ''Research on improving logistics management for the military and businesses, and to develop an executive-education project''; $223,537 from the Department of Defense in 2002 for ''personnel, student internships, research, and other expenses to expand technological education and applications through its KnowledgeWorks Institute''; $2.4 million through NASA over 2002–2003 for ''academic programs at the Science Discovery Outreach Center''; $4 million in 2002 through the Department of Defense for the ''Southeast Atlantic Coastal Ocean Observing System (to be shared with the University of Miami)''; $969,000 from the Department of Energy for ''mathematical and computational research and software development to solve environmental problems''; $1.5 million in 2002 through the Environmental and Protection Agency to ''advance the 'one-atmosphere approach' to determining the health effects of air pollution for the university's schools of public health and medicine''

FFM Subcommittee staff received calls and faxed communications from the university's lobbyist, James E. Hyland, who helped to coordinate the response and who forwarded the university's first interim response via fax. According to the Center for Responsive Politics' OpenSecrets.org website, James E. Hyland, ''Career Client List, 1998–2006,'' works for Greenberg Traurig LLP, which had a contract worth in $120,000 in 2006 alone with UNC.

Mr. COBURN. With that, I will cease discussing this other than to say we ought to figure out why a college education and the costs thereof are growing twice as fast as health care, which is four times as fast as everything else in this country. Something isn't right. Transparency is the key to getting accountability for that problem. To vote against this amendment would be saying you don't want the universities to be transparent, to be accountable. I believe they should be accountable and certify to us that not one penny of tuition, one penny of Federal money is spent back here. Mr. President, $127 million was spent last year to lobby this body on university grants and earmarks. We ought to change that. That could educate a ton of our young people.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I am wondering if the Senator would help clarify his amendment for me. How much time do I have?

The PRESIDING OFFICER. The chairman has 15 minutes.

Mr. KENNEDY. Let me know after I have used 7 minutes.

The PRESIDING OFFICER. The Chair will do so.

Mr. KENNEDY. Would the Senator be good enough to answer some questions?

Mr. COBURN. Yes.

Mr. KENNEDY. I was reading through the amendment. As the Senator knows, we have at the present time on the bill the Byrd amendment, title 31 of the U.S. Code, which forbids what I imagine is much of this amendment. Under the law, recipients of Federal contracts—whether through grants, loans, or cooperative agreements—are barred from using those funds to lobby, to extend, or modify a Federal award.

I am trying to understand what you include that his amendment doesn't include. Let me ask the question: if the President of a university or a government affairs person of the university called a Member of Congress about the student loan program, is that considered to be part of a lobbying effort? This is on my time.

Mr. COBURN. No. What I am looking at is for them to, in a positive, forward way, assert that as they take Federal funds, those funds are not used to, in fact, pay a lobbyist. When a university President calls you, he is not calling as a lobbyist. He has a right to lobby this as an individual. My amendment is fairly narrow in that those funds are not spent to lobby, i.e. lobbying payment.

Mr. KENNEDY. I was interested, if there is a government affairs person at one of our fine universities—for example, Tufts University in Massachusetts, which was in touch with us about loan forgiveness. In government affairs, they have an interesting program where they had a good deal of loan forgiveness for students, and they were calling asking about how their program fits in with this bill. It was a government affairs figure who called us about this, signaling that they thought their program was better than the one we had. Is that considered lobbying by the government affairs person?

Mr. COBURN. No.

Mr. KENNEDY. If there were inquiries on No Child Left Behind, on the special needs of disabled children, or they

wanted to find out about bilingual programs and about grants from the NIH—there is this concern, as the Senator knows, about cuts in the NIH budget, and I have had calls from some of the great research centers in my home State, from universities and in some instances from presidents and in some instances from government affairs people, about their concern about where we are going as a country in terms of NIH and in terms of the future. Does it affect any of those?

Mr. COBURN. No, sir.

Mr. KENNEDY. Even though the universities may be affected by some of these cuts. Is it just that the lobbyists—the hiring of the lobbyists and the lobbyists then speaking to the Member—I am trying to get what the Senator is driving at.

Mr. COBURN. Will the Senator yield?

Mr. KENNEDY. Yes.

Mr. COBURN. I am trying to get to this paradigm where we pay $200,000 a year for lobbyists, and the lobbyists work to get an earmark for the university back in that is out of the priority of the peer review, scientifically evaluated, and at the same time, some of that $200,000 somehow ends up in campaign coffers, for some reason. I cannot figure out why, but it seems to. This doesn't stop it. What this says is they are going to just certify that the money they used for that wasn't their students' tuition and other Federal dollars that were designed for another purpose and coming back against that. It doesn't mean they cannot pay a lobbyist or hire a lobbyist or that anybody in there government affairs office cannot contact us to lobby for a particular position, which is their right. This is very narrowly defined to say: Do not spend the money you get from us, or your students, to hire the lobbyists to earmark something that is outside the peer review.

Mr. KENNEDY. I think that might be wrong. I thought that was the point of the Byrd amendment. In your language you have on page 2, ''any person or entity for influencing or attempting to influence an officer or employee of any agency of the Federal Government, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal action.'' I am trying to understand this. Can a government affairs person at a university—I am a Member of Congress—talk to me about support for the NIH and NIH funding?

I hear what the Senator wants to do. I would be interested in where you get the $127 million. I will accept what the Senator says on this.

I had thought, when we passed the Byrd amendment, Senator BYRD spoke very eloquently about what I think the Senator is dealing with, and that is lobbyists getting part of the action when they have the earmark. I thought that is the effect.

It goes further than that, but I am concerned about—and I have said this in my questions—whether you have a person representing a university or a government affairs person calling a Member of Congress about a lot of the matters that we are considering in this legislation, whether it is a student loan program or the NIH or whether it is the regulations that are guiding some of the education programs, the programs dealing with disabled student—let me ask you, how would this affect a university? If there was a conference by one of the agencies—the Department of Education—and they were having a conference on the subject of higher education, can the university send any individuals there to express their views on education policies? Say they want to go down there and see more laboratories built because they want additional research, and they speak to the Department of Education about those kinds of items.

Mr. COBURN. It does not limit that in any way.

Mr. KENNEDY. The Senator's responses are helpful. I don't know whether the Senator is familiar with the Byrd amendment. If it is not interfering with colleges or universities or institutions dealing with a wide range of educational issues or some of the fine schools that offer criminology wanting to call the Justice Department to try to get grants to deal with the problems of violence in the communities. But the Senator has given assurance that is not the area he is trying to get at. It is basically the lobbyists. I don't know whether the Senator is familiar with title I of the Byrd amendment, which prohibits, as I understand it, a great deal of what the Senator spoke about with great eloquence in the earlier program.

Mr. COBURN. Will the Senator yield?

Mr. KENNEDY. Yes, I am glad to.

Mr. COBURN. What we are trying to get is this. It is true that the Byrd amendment makes that illegal. The problem is that nobody has to certify it. So whether it is illegal or not, it is obviously happening. Yet we don't have any proactive basis going on at the universities for them to certify that they are not doing it. That is the difference between this and the Byrd amendment.

Mr. KENNEDY. Just to continue, Mr. President, there are penalties with the Byrd amendment, civil penalties on the Byrd amendment. Maybe it is enforcement. The Byrd amendment says:

> None of the funds appropriated by any Act may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of any agency, a Member of Congress, or an employee of a Member of Congress in connection with any Federal action described in paragraph (2) of this subsection.

Then it goes on:

> (2) The prohibition in paragraph (1) of this subsection applies with respect to the following Federal Actions:
>
> (A) The awarding of Federal contract.
>
> (B) The making of any Federal grant.
>
> (C) The making of any Federal loan.
>
> (D) The entering into of a cooperative agreement.
>
> (E) The extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.

If the Senator says this is pretty good language but not enforceable and he has ideas about how we can try to enforce it, I am certainly open to it and would welcome it. I don't have a problem.

My concern was looking at the Senator's amendment and seeing that language talking about ''to pay any person or entity for influencing or attempting to influence an officer or employee of an agency of the Federal Government, a Member of Congress. . . .'' My office has frequent phone calls from universities and colleges, certainly as the chairman of the HELP Committee, particularly as we are dealing with this education issue—from scores of universities and colleges. They express strong views about different aspects of this. We have heard a great deal from the lending institutions—Sallie Mae and the others—that have a direct financial interest in this. I think it is valuable to have clarity in this area so we know what is permitted and what is not permitted. These were some of the areas of concern that I had, and the Senator has been helpful.

Mr. COBURN. If the Senator will yield, it put forth a parliamentary idea that the Byrd rule applies on bills consistent with reconciliation, if I am correct. What this is intended to do is proactively have—this does two things: It requires the university to know what they are doing, which is one of the things we found in my subcommittee—that they didn't know what they were doing. They weren't aware of where the money was going or how they were spending the money. It makes them look at that. Two, it makes them proactively say they are within the law in terms of how they are spending the student money and the Federal money.

I appreciate the colloquy on this issue. I hope we have clarified the intent of the amendment. I am more than happy to accept a second degree that would clarify it more and that would give Senator KENNEDY the safeguards he is concerned about. Nevertheless, there is a gigantic problem out there today, not the least of which is that it is hard to find in the Constitution where we should be earmarking $2.6 billion a year to private and State universities for education.

Mr. KENNEDY. Mr. President, the Senator is quite correct. The Byrd rule applies to reconciliation. The Byrd amendment applies to this. Let me just say that I listened and there is much to what the Senator says. There are also some concerns. In 1980, we had, for example, a very good program to help colleges, large colleges and small, to develop research centers at the colleges and universities. What we had seen in our committee at that time was

the deterioration of laboratories and research centers. We passed a very good bill. We had close to in excess of a billion dollars that was going out for peer review. That program was effectively eliminated. The budget cutters eliminated it. They eliminated the program but not the need. I haven't been very successful. I have done my best to try to help outstanding colleges and universities that are in need in terms of research, that are doing some of the breakthrough research, that are making progress in health and other areas, that are trying to get assistance. I am proud of that fact.

I share the view that in a perfect world, we have peer-reviewed science. There is a lot to what he says. In other areas, we do the best we can with the circumstances we have.

I will take a look at what we have in terms of whether an amendment or clarification would be the best way to proceed.

I suggest the absence of a quorum.

Mr. COBURN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Oklahoma has 4 minutes 48 seconds remaining.

Mr. COBURN. If I can be recognized, Mr. President?

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. COBURN. Mr. President, Senator KENNEDY makes my point. In 1980, we had a program that was designed on merit, scientific, and peer-reviewed analysis. We had no earmarks then. Now we have 2,000 earmarks, and about 1 out of every 3 accomplishes something, and then not to the level of what it should because most of the money did not go to the best place to get the research done.

The Senator makes my point. We have a corrupted process in how we fund much of the money that goes to universities. Personally, the Senator from Massachusetts recognizes, I believe, that is not necessarily a legitimate role for the Federal Government, but it is one that is there. So if it is there, it ought to be transparent. We ought to be able to hold all universities accountable, and we ought to know where the money goes, how it is spent, and what money was spent to accomplish the receipt of that money in the first place.

Those who vote against transparency like the status quo. You cannot fight against transparency. The facts are the facts. You cannot put a political spin on it. The facts will be the facts. The American people—actually, our American grandchildren, against whom we charged $434 billion this last year, ought to have the right to know where their money is being spent, and the devil is in the details on whether they are taking Federal money and using that Federal money to turn around to hire a lobbyist to get more Federal money. That is a corrupt system, and transparency will clean that up.

I ask consideration of the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. COBURN. Mr. President, is there an order in which the votes are going to roll this evening? Can this be combined into those votes? I thank the Senator.

I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2328, AS MODIFIED

Mr. REID. Mr. President, I ask that the Reid amendment be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, it is my intention—this has been cleared with the two managers—to have two votes tonight and finish whatever votes remain in the morning. It is my understanding that in the morning the first vote will be on the Dodd amendment. He is involved with other matters tonight. We will give him 5 minutes, and if there is opposition, they can have 5 minutes, or should we split 5 minutes, I say to my friend from Wyoming? I am not asking consent now—we will do that later—but I am giving an idea.

Mr. ENZI. Mr. President, we should have some time for debate because I don't even know what amendment he is offering.

Mr. REID. We will talk with the managers in more detail about that situation. Likely, what we will have is on the Dodd amendment, 5 minutes equally divided, and on other amendments, there will be 1 minute of explanation, for or against, and after that, 10-minute votes. We understand there could be three to five votes in the morning or there could be more. Whatever, we will finish in the morning. We will come in at 10 o'clock because of the leadership meetings that take place in the Capitol. There will be no morning business. We will go right to the bill and dispose of these amendments before we have our regular work sessions on Tuesday.

Does that seem reasonable to my friend from Wyoming?

Mr. ENZI. That sounds reasonable to me. I assume we are going to have a couple votes tonight.

Mr. REID. Yes, that is what I said, we will do two votes tonight.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CARDIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WHITEHOUSE). Without objection, it is so ordered.

Mr. CARDIN. Mr. President, I take this time to speak in favor of the Durbin amendment. I thank my colleague from Illinois for introducing this important amendment. It gives us an opportunity to provide for equal access to justice in this country.

There is a problem today in our legal system, and it is the cost of legal education. The average attorney who graduates from law school will have $70,000 of debt in addition to the $16,000 of average debt in attending an undergraduate school. When you have that type of debt, it affects your career choice.

Today, we want to make sure we get the best qualified attorneys going into public interest law, whether it is as a prosecutor or whether it is as a public defender. I think Senator HARKIN will be here, either later tonight or tomorrow, to talk about the civil legal services, and the average starting salary for a legal aid attorney is $36,000 a year. For a public defender or for a prosecutor, it is not much higher than that. How can you possibly take a career in those fields and still be able to pay off your loans?

The Durbin amendment does something about it. It came through the committee on which I have the honor of serving, the Judiciary Committee. I think it is a well-balanced approach. I know we will probably have a chance to vote on this tomorrow—I don't believe we will vote on it tonight—but there will not be debate time available tomorrow, and I wanted to come to the floor and urge my colleagues to support the amendment.

If Senator HARKIN offers his second-degree amendment that deals with civil legal services, I hope this body will also support that amendment.

I yield the floor.

Mr. DURBIN. I thank my colleague from Maryland for his support. I might also say, during the course of the debate he raised an important issue—legal aid attorneys. These are attorneys who work primarily in the civil area, representing people of limited means. They are not very well paid. Many of them come out of law school facing debt on their own. We want to make sure that people, regardless of their economic status in America, have access to good legal counsel. So I have pledged to him—and I renew the pledge—that if there is a way for us to help the legal aid attorneys as well as defenders and prosecutors, we should.

It is in the best interests of our country to have competent counsel available for all Americans in terms of our civil and criminal justice systems. Think about how much we count on prosecutors to take the bad guys off the street and keep them off. We don't want somebody bungling a trial because of lack of experience or lack of skill. We want the best and brightest as prosecutors. Similarly, if the system is going to work and work well, there is a good attorney across the table defending the person who has been

charged so there truly is a contest that is respectful of our judicial system.

The same thing for legal aid attorneys. Whether they are representing people of modest means who are dealing with the daily drudgery of divorce or wills or landlord-tenant issues or small claims court, we want to make certain that those who are of modest circumstances in this country do not lose because the race always goes to the swift; that is, to those with more money.

I thank the Senator from Maryland for his commitment to this amendment and his general commitment to justice in this country.

Mr. CARDIN. Will my colleague yield?

Mr. DURBIN. I am happy to yield.

Mr. CARDIN. I thank my colleague for his leadership on this issue. I know he has been working for many years to get this accomplished, and I hope this is the vehicle on which we will get it done. I had the chance to chair the Maryland Legal Services Corporation and chaired a commission in Maryland looking to services for our population, and there are not enough attorneys who will handle poverty law. There are not enough attorneys who will handle public defender cases. It is difficult to get experienced prosecutors today because you can go into a private law firm and make a lot of money, much more than you can as a public defender or legal aid attorney or as a prosecutor.

The Senator's legislation gives us a chance to say we want to make sure every citizen in our State has equal access to justice in our State. I applaud him for it. I think this is what we need to do. We have a chance in this bill to get it done. I thank the Senator for bringing it to the floor, and I support his amendment.

Mr. DURBIN. In my hometown of Springfield, IL, we have an appellant defender program. These are young men and women who handle cases on appeal after the trials and work for a government salary. When I announced this amendment—that we had the possibility of student loan forgiveness—two young women came to the press conference. One of them said to me that she has plotted out how long it will take her, working as an appellate defender, to pay off her student loan. She said, ''I will be paying when I qualify for Social Security.'' That is hard to imagine, but it is a fact. The debt these young lawyers incur to get through law school, unless they are lucky enough to grab the brass ring and go to a big law firm, is so large that it haunts them for a lifetime. It colors their life decisions as to where they will work, whether they can own a car, whether they can finally have an apartment of their own and move out of their parents' homes. All of these things are associated many times with student debt.

Whether we are talking about appellate defenders or prosecutors or public defenders, I think we want to make sure these young people are spared some of this financial worry and some of this financial burden if they are willing to dedicate themselves to public service. That is what this is about.

I think this is a noble calling, and I have to recall it has not been but a few weeks since a Justice of the Supreme Court testified before the Senate Judiciary Committee. This Justice came and said he thought the current pay for Federal judges was inadequate in America. That pay is in the realm of $165,000 to $200,000 or maybe more, certainly more at the Supreme Court level. We asked how much more he thought these Federal judges should receive.

The PRESIDING OFFICER. There is a time limit on this amendment, and the time of the Senator has expired.

Mr. DURBIN. I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2380 TO AMENDMENT NO. 2377

Mr. HARKIN. Mr. President, I call for the regular order to bring up the amendment offered by the Senator from Illinois, Mr. DURBIN, No. 2377.

The PRESIDING OFFICER. The Senator has that right. The amendment is now pending.

Mr. HARKIN. Mr. President, I send to the desk a second-degree amendment to Durbin amendment No. 2377.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN] proposes an amendment numbered 2380 to amendment No. 2377.

Mr. HARKIN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Higher Education Act of 1965 in order to provide funding for student loan repayment for civil legal assistance attorneys)

At the appropriate place, insert the following:

In part B of the Higher Education Act of 1965, as amended by the Higher Education Amendments of 2007, insert after section 428K the following:

''SEC. 428L. LOAN REPAYMENT FOR CIVIL LEGAL ASSISTANCE ATTORNEYS.

''(a) PURPOSE.—The purpose of this section is to encourage qualified individuals to enter and continue employment as civil legal assistance attorneys.

''(b) DEFINITIONS.—In this section:

''(1) CIVIL LEGAL ASSISTANCE ATTORNEY.—The term 'civil legal assistance attorney' means an attorney who—

''(A) is a full-time employee of a nonprofit organization that provides legal assistance with respect to civil matters to low-income individuals without a fee;

''(B) as such employee, provides civil legal assistance as described in subparagraph (A) on a full-time basis; and

''(C) is continually licensed to practice law.

''(2) STUDENT LOAN.—The term 'student loan' means—

''(A) subject to subparagraph (B), a loan made, insured, or guaranteed under part B, D, or E of this title; and

''(B) a loan made under section 428C or 455(g), to the extent that such loan was used to repay—

''(i) a Federal Direct Stafford Loan, a Federal Direct Unsubsidized Stafford Loan, or a Federal Direct PLUS Loan;

''(ii) a loan made under section 428, 428B, or 428H; or

''(iii) a loan made under part E.

''(c) PROGRAM AUTHORIZED.—The Secretary shall carry out a program of assuming the obligation to repay a student loan, by direct payments on behalf of a borrower to the holder of such loan, in accordance with subsection (d), for any borrower who—

''(1) is employed as a civil legal assistance attorney; and

''(2) is not in default on a loan for which the borrower seeks repayment.

''(d) TERMS OF AGREEMENT.—

''(1) IN GENERAL.—To be eligible to receive repayment benefits under subsection (c), a borrower shall enter into a written agreement with the Secretary that specifies that—

''(A) the borrower will remain employed as a civil legal assistance attorney for a required period of service of not less than 3 years, unless involuntarily separated from that employment;

''(B) if the borrower is involuntarily separated from employment on account of misconduct, or voluntarily separates from employment, before the end of the period specified in the agreement, the borrower will repay the Secretary the amount of any benefits received by such employee under this agreement;

''(C) if the borrower is required to repay an amount to the Secretary under subparagraph (B) and fails to repay such amount, a sum equal to that amount shall be recoverable by the Federal Government from the employee by such methods as are provided by law for the recovery of amounts owed to the Federal Government;

''(D) the Secretary may waive, in whole or in part, a right of recovery under this subsection if it is shown that recovery would be against equity and good conscience or against the public interest; and

''(E) the Secretary shall make student loan payments under this section for the period of the agreement, subject to the availability of appropriations.

''(2) REPAYMENTS.—

''(A) IN GENERAL.—Any amount repaid by, or recovered from, an individual under this subsection shall be credited to the appropriation account from which the amount involved was originally paid.

''(B) MERGER.—Any amount credited under subparagraph (A) shall be merged with other sums in such account and shall be available for the same purposes and period, and subject to the same limitations, if any, as the sums with which the amount was merged.

''(3) LIMITATIONS.—

''(A) STUDENT LOAN PAYMENT AMOUNT.—Student loan repayments made by the Secretary under this section shall be made subject to such terms, limitations, or conditions as may be mutually agreed upon by the borrower and the Secretary in an agreement under paragraph (1), except that the amount paid by the Secretary under this section shall not exceed—

''(i) $6,000 for any borrower in any calendar year; or

''(ii) an aggregate total of $40,000 in the case of any borrower.

''(B) BEGINNING OF PAYMENTS.—Nothing in this section shall authorize the Secretary to pay any amount to reimburse a borrower for any repayments made by such borrower prior to the date on which the Secretary entered into an agreement with the borrower under this subsection.

''(e) ADDITIONAL AGREEMENTS.—

''(1) IN GENERAL.—On completion of the required period of service under an agreement under subsection (d), the borrower and the Secretary may, subject to paragraph (2), enter into an additional agreement in accordance with subsection (d).

''(2) TERM.—An agreement entered into under paragraph (1) may require the borrower to remain employed as a civil legal assistance attorney for less than 3 years.

''(f) AWARD BASIS; PRIORITY.—

''(1) AWARD BASIS.—Subject to paragraph (2), the Secretary shall provide repayment benefits under this section on a first-come, first-served basis, and subject to the availability of appropriations.

''(2) PRIORITY.—The Secretary shall give priority in providing repayment benefits under this section in any fiscal year to a borrower who—

''(A) has practiced law for 5 years or less and, for at least 90 percent of the time in such practice, has served as a civil legal assistance attorney;

''(B) received repayment benefits under this section during the preceding fiscal year; and

''(C) has completed less than 3 years of the first required period of service specified for the borrower in an agreement entered into under subsection (d).

''(g) REGULATIONS.—The Secretary is authorized to issue such regulations as may be necessary to carry out the provisions of this section.

''(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $10,000,000 for fiscal year 2008 and such sums as may be necessary for each succeeding fiscal year.''.

Mr. HARKIN. I will take a minute. I understand we are getting ready to vote very soon. But I cleared this, of course, with Senator DURBIN. He was fine with the second-degree amendment.

This amendment that I offered would be to provide for loan forgiveness for young attorneys who go into civil legal practice, legal services. Now, the Durbin amendment provides for loan guarantees for those going into prosecution, or I should say criminal work, prosecuting attorneys, district attorney's offices, that type of thing, which is fine.

But we also need them for civil legal attorneys, those who are going into legal services. They make the bottom of the ladder. I mean, even the district attorney's offices pay them more than legal services. So I think it is needed in both areas.

Right now, with the costs of law school and with the need we have for legal services attorneys, this amendment is drastically needed. Right now, about 50 percent of the people eligible for legal services, which means they had household income for a family of four of $25,800 or less—$25,000 a year or less—only 50 percent of them were able to get help from a legal aid program. That is 50 percent of the people who actually went and sought help. You can imagine how many more there are out there who, for one reason or another, did not seek the help.

Estimates are that closer to 80 percent of low-income Americans have unmet civil legal needs. Right now there is 1 legal aid attorney for 6,800 low-income Americans. One legal services attorney for every 6,800 low-income Americans. Compare that to 1 attorney for every 525 middle-income Americans.

Well, again, the key reason for this is the inability of the legal aid programs to recruit and retain attorneys. Given the financial realities, many law graduates who are able to take positions with legal aid leave after 1 or 2 years. One Midwestern program cited a turnover rate of 60 percent over a 2-year period of time, with an average tenure for new attorneys of 17 months.

So what my amendment does is it builds on the existing loan repayment and retention programs for Federal prosecutors and 29 other Government agencies, including the Department of Justice and the Congress. All we are saying is, if we are going to do it for people who come to work here or the Department of Justice, why not for civil legal aid attorneys?

This would provide for up to $6,000 a year in loan repayments. You would have to sign it, you would have to be at least 3 years as a legal services attorney to get that, with a maximum lifetime benefit of $40,000. The amendment authorizes up to $10 million to do this. We know how many there are. We are only talking about 1,200 nationwide. So we know it does not cost a lot of money, but it is sorely needed. Time and again, people who have unmet civil legal needs, whether it is child custody, divorce proceedings, it could be landlord-tenant problems, these people do not have access to the civil legal system. Then they take the law into their own hands, they do something else.

By providing good legal services to low-income people, we basically keep people from doing things they otherwise would not do if they had some legal help available to them. People get desperate. I can tell you this, that the strongest bulwark against domestic violence is legal aid attorneys.

What happens is, when someone is in an abusive relationship and they need legal help and they cannot afford it, that is when you get problems. Now, I can speak about this from experience. I started out my life as a legal services attorney. That is what I did when I got out of law school.

I thought it was a great opening. I thought it was a great thing to do. You get the cases no one else takes. You get people who are at the end of their rope. Maybe they have tried to get legal help and they cannot get it anywhere else. You are sort of the last hope they have for settling something civilly.

I can tell you from my time as a legal services attorney, we had a lot of people who got in a lot of trouble simply because they did not either know we were there or they could not access the civil legal system. You have domestic violence. Some people go to jail. Or you have child custody battles that go on.

I have had landlord-tenant cases where people are at the end of their rope, maybe they have a dispute with the landlord, they cannot get it resolved, so they sort of take the law into their own hands and do something rash.

To me, while it is important to encourage young lawyers to get into criminal prosecution, I think it is equally as important for us to provide some help for young lawyers who want to be legal services attorneys.

I see the Senator from Vermont who has been a strong supporter of our legal services program. I know of his commitment to this. I yield to the Senator.

Mr. SANDERS. I rise in support of the Senator's amendment. If we are a nation of equal justice under the law, then low-income people must have legal representation. Legal aid does a phenomenally good job. In Vermont, the wage scale for legal aid workers is embarrassingly low. Any young person who graduates law school with the kind of debt we are talking about would find it almost impossible to work at a legal aid salary. We should be supportive of legal aid. I strongly support the Senator's amendment, and I thank him for offering it.

Mr. HARKIN. I thank the Senator from Vermont. Check with the American Bar Association, with the State bar associations; they all support legal services. They know this is one way in which we can provide, as the Senator from Vermont said, access to equal justice under the law. I can remember when I was a legal services attorney in the 1970s, the case files we received. I mean, there were so many. We were there late at night. We were actually working weekends on some of these cases. You feel that maybe you are not serving their interest well because you have so many cases and so many case files.

I appreciate the remarks of the Senator. I hope we can get good support on the vote for this amendment.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

AMENDMENT NO. 2381 TO AMENDMENT NO. 2369

Mr. KENNEDY. Mr. President, I send up a second-degree amendment to Coburn amendment No. 2369 to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. If the Senator would withhold, it requires unanimous consent to send up a second-degree amendment to that amendment at this time.

Mr. KENNEDY. Mr. President, I call for the regular order with respect to the Coburn amendment.

The PRESIDING OFFICER. Is there objection to returning to the Coburn

amendment? Without objection, it is so ordered.

The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 2381 to amendment No. 2369.

The amendment is as follows:

Strike all after the first word and insert the following:

114. Restriction on Use of Federal Funds

(1) No Federal funds received by an institution of higher education may be used to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal action described in paragraph (2) of this section.

(2) The prohibition in paragraph (1) of this section applies with respect to the following Federal actions:

(a) the awarding of any Federal contract;

(b) the making of any Federal grant;

(c) the making of any Federal loan;

(d) the entering into of any cooperative agreement;

(e) the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Mr. KENNEDY. Mr. President, I don't intend to press this amendment this evening. I have talked to the Senator from Oklahoma. I would hope we would have a chance over the evening to work with him to address the substantive matter of his amendment. I don't intend that we will have a vote on that amendment this evening, but for the benefit of the membership, I wanted to be able to at least file this amendment. I have talked to the Senator from Oklahoma earlier, about 45 minutes ago. We had a good conversation. He was working on some language. But we do believe that we are probably getting fairly close to a vote on the Brown amendment.

We wanted to be able to at least indicate to the membership that there may very well be a vote tomorrow. Hopefully, we will have a chance to work through the evening and get a chance to work that amendment out.

The reason I offer this amendment is, I agree with the Senator from Oklahoma that Federal funds should not be used for lobbying. That is the current law. I would support the clarifying language in the law that prevents it. But there are very important reasons for institutions to communicate with Members of Congress, and I am afraid this amendment would have the unintended consequence of restricting universities and colleges from advocating for research grants and protections for their students. It would make it possible for universities to comment on Federal regulations of the Department of Education. It may very well have impact regarding communications with Members of Congress whether we ought to increase NIH funding. It would require that universities use private or foundation dollars to share findings with Congress, and this would especially harm small institutions, rural institutions, historically Black colleges, and other institutions with limited resources.

I am worried that the Senator's amendment goes too far. It is important we make very clear that Federal funding should not be used for lobbying, and if we need to do more to ensure that it is enforced, I am happy to work with the Senator from Oklahoma to do so. That is what my second degree amendment does. It is a restatement that no Federal funds received by any institution may be used to pay any person for influencing or attempting to influence an officer or employee or any agency, a Member of Congress.

It says:

No federal student aid funding may be used to hire a registered lobbyist or pay any person or entity for securing an earmark.

Then it continues: Any person who makes a prohibited expenditure shall be subject to a civil penalty of not less and not more than a million dollars, and the Secretary of Education shall take such actions as necessary to ensure these provisions.

I would hope as part of an enforcement effort, that we would get a statement or attestation of colleges that they are not using these funds and report back to the Congress if universities are not doing it. We will try to work with the Senator from Oklahoma, but I wanted to at least include that second degree as we work with him through the evening.

That is where we are.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, so tomorrow we will be voting on whatever is needed to be voted on on Coburn, and then we will be voting on Durbin and then final passage, but we also have the second-degree amendment that Senator HARKIN has offered. Does that preclude anybody from putting in more second-degree amendments?

I thought we had that whole issue done last week when we dealt with loan forgiveness. I think that would have been a more appropriate place to deal with loan forgiveness. Now we have some special cases. I doubt that anybody in public service doesn't consider themselves to be a special case. There are some people who consider themselves to have spent a lot of money.

I guess people can turn in amendments, second-degree amendments, for virtually any profession they want by tomorrow morning, and we will vote on each of those separately.

The PRESIDING OFFICER. The Senator from Massachusetts.

AMENDMENT NO. 2382

Mr. KENNEDY. Mr. President, I have the managers' amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

Mr. KENNEDY. I ask unanimous consent that reading of the managers' amendment be dispensed with and the amendment be adopted.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The amendment is printed in today's RECORD under ''Text of Amendments.'')

The amendment (No. 2382) was agreed to.

Mr. KENNEDY. Mr. President, I ask unanimous consent that at 5:40 today, the Senate—would the Senator want 1 minute? Would that be agreeable, 1 minute on each side on the Brown amendment?

I ask unanimous consent that at 5:41 today the Senate proceed to vote in relation to the Brown amendment No. 2376; that no amendments be in order to the Brown amendment prior to the vote; and that time in the next 2 minutes be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

The Senator from Ohio.

Mr. BROWN. Mr. President, I ask for support for the Brown amendment. We know in the last 5 years the cost of public education has gone up for a 4-year degree 53 percent. We know the cost of private education for a 4-year degree has gone up 28 percent. We also know that wages have gone up only 3 to 4 percent for the average person during this 5-year period. The Federal Government is not keeping up with helping students get the opportunity to go to college. We have seen students have no alternative. They have exhausted what they can do with Pell grants. They have exhausted what they can do either through the direct loan program or other federally backed programs. The fastest growing part of their student loan availability is going to private institutions with a 16- to 18-percent interest rate. This amendment is no cost to the Government. It competes with banks.

We reauthorize every 5 to 7 years the Higher Education Act. This is an opportunity we should not pass up. The problem is only getting worse. I ask for support of the Brown amendment.

The PRESIDING OFFICER. Who yields time in opposition?

The Senator from Wyoming.

Mr. ENZI. Mr. President, as Senator GREGG and I have both explained, this amendment is very problematic. It has not been to a committee. It has not been heard. There has been no vote on it. It creates another loan program. It creates a different loan program than any we have ever done because this says the Secretary of Education will set the loan rate and the requirements on it. We have never had that kind of a situation.

Most problematic, the system of education in this country is successful because it is a partnership between the private and public sectors. This one moves it all to private. It off-balances the direct loan versus the private loan market. We should not be supporting this amendment. The Secretary is not in a position to make the kind of decisions this calls for. We do have to have a private market. This would eliminate it.

We also have a previous example of where this kind of loan was used back in the 1970s, but that was because the interest rates were about 21 percent in the regular market, and the Secretary set it at—well, it wasn't the Secretary, but the loan rate wound up being set at 9 percent. People borrowed it for everything except education.

I ask Members to defeat the amendment.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2376.

Mr. BROWN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from New York (Mrs. CLINTON), the Senator from Connecticut (Mr. DODD), the Senator from South Dakota (Mr. JOHNSON), the Senator from Arkansas (Mrs. LINCOLN), the Senator from Illinois (Mr. OBAMA), and the Senator from Rhode Island (Mr. REED) are necessarily absent.

Mr. MCCONNELL. The following Senators are necessarily absent: the Senator from Mississippi (Mr. LOTT) and the Senator from Arizona (Mr. MCCAIN).

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 38, nays 53, as follows:

[Rollcall Vote No. 273 Leg.]

YEAS—38

Akaka	Harkin	Mikulski
Baucus	Inouye	Murray
Bingaman	Kennedy	Nelson (FL)
Boxer	Kerry	Pryor
Brown	Klobuchar	Reid
Cantwell	Kohl	Rockefeller
Cardin	Landrieu	Sanders
Casey	Lautenberg	Schumer
Conrad	Leahy	Stabenow
Dorgan	Levin	Tester
Durbin	Lieberman	Whitehouse
Feingold	McCaskill	Wyden
Feinstein	Menendez	

NAYS—53

Alexander	Craig	McConnell
Allard	Crapo	Murkowski
Barrasso	DeMint	Nelson (NE)
Bayh	Dole	Roberts
Bennett	Domenici	Salazar
Bond	Ensign	Sessions
Brownback	Enzi	Shelby
Bunning	Graham	Smith
Burr	Grassley	Snowe
Byrd	Gregg	Specter
Carper	Hagel	Stevens
Chambliss	Hatch	Sununu
Coburn	Hutchison	Thune
Cochran	Inhofe	Vitter
Coleman	Isakson	Voinovich
Collins	Kyl	Warner
Corker	Lugar	Webb
Cornyn	Martinez	

NOT VOTING—9

Biden	Johnson	McCain
Clinton	Lincoln	Obama
Dodd	Lott	Reed

The amendment (No. 2376) was rejected.

Mr. ALEXANDER. Mr. President, I would ask through the Chair to the managers, would it be appropriate now to speak on the bill or would they prefer to go ahead with other business that they have?

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. ALEXANDER. Mr. President, I ask unanimous consent to speak for up to 20 minutes and that following me, Senator MENENDEZ be allowed to speak for——

Mr. MENENDEZ. For about 15 minutes.

Mr. ALEXANDER. For 15 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ALEXANDER. Mr. President, I congratulate Senator KENNEDY and Senator ENZI and the members of the Health, Education, Labor, and Pensions Committee for their work on this bill. I have been around awhile, but I have not been in the Senate for very long, and we have been working on this bill since I came to the Senate, which was 4 years ago. It needed to be reauthorized some time ago. But similar to some other things, it has gotten a little better with age, and it is a very good bill.

Although we have been working on this bill for some time, I believe it has gotten better over time. It has a number of excellent provisions in it. There is one major concern I have which I intend to speak on. Let me say what that is at the outset before I begin to talk about what I like about the bill. My late friend, Alex Haley, used to say, ''Find the good and praise it,'' and I can do that with this bill, but I do have one concern. My concern is the creeping regulation of higher education.

I believe the single most important thing we could do to help improve excellence in higher education in America, which is already pretty good—the best in the world—is to deregulate, not add more federal regulations. Unfortunately, with this bill, we significantly add to the stack of regulations that college and university presidents all over America have to wade through every year in order to accept students who receive Federal grants and loans.

Let me talk about some of the good things about this bill. In the first place, it was an excellent decision to separate this piece of legislation from the work we acted on last week—what we call the reconciliation bill. This reauthorizes the Higher Education Act for the next 5 years, and it has separate provisions which deserve separate attention. For example, it increases the amount of Pell grants from $4,300 to $6,300 over the next 5 years. Pell grants are for the lowest income students. They don't help the middle-income families very much because the dollars don't get up to that level. Those families are eligible for other aid from universities and other grants and loans. But $6,300 for a Pell grant is a significant amount of money.

For example, if you go to Harvard, it doesn't come close to paying the cost, but if you go to the University of Tennessee, it pays almost the entire tuition for the year. In fact, if you go to the University of Tennessee with a Pell grant, you are very likely to show up with what we call a HOPE scholarship, which also pays for tuition. So you would start off with a HOPE scholarship of—I think the amount is about $4,000—plus your $6,300 from the Pell grant, if you needed that additional amount of money. So the Pell grant would be increasing from its current level of $4,310 to $6,300. If there are families across the country who are watching our debate and thinking they can't go to college, it is important for them to know that the community colleges of America cost several hundred dollars a quarter, and that the great State universities of America typically cost $5,000 or $6,000 or $7,000 a year in tuition. Now, that does not include living expenses, but we all pay living expenses, whether we are in college or we are not in college.

This decision to move up the Pell grant to $6,300 is a big help. I hope it sends a signal across this country to families without means that their son or their daughter may start their higher education, for example, at a community college for 2 years, living at home and paying a few hundred dollars and letting the Pell grant pay for the total cost of the tuition, the total cost of the books. So there will be zero charge for that family for 2 years, and then after 2 more years, go on to a State University, where the tuition might not be very much more than the Pell grant. In addition, the Pell grants will be even larger for students who are majoring in math, science, critical foreign languages, and thereby encouraging students to pursue those fields.

This Congress is taking a number of steps to try to refocus our country's attention on our brain power advantage, to make sure we keep that so we can keep our good jobs from going overseas. Senator KENNEDY and Senator ENZI and Senator Frist last year changed the law and created the SMART grants to focus on our competitiveness, and the increase to the Pell grants do that significantly more in this legislation.

In addition, this legislation, in an overdue way, recognizes the importance of a year-round Pell grant. Many people still have in their mind the idea of the traditional college student on the traditional campus. That life has changed. Many of the students who take Pell grants have to work. They are older. They may be moms going back to school to get the training to get a better job or a dad doing the same, and they may not have time to take the summer off, or that might not fit their schedule. The way the law has been, they couldn't get the Pell grant, if there were, say, three quarters, they could only get it for two. This says that—and Senator CLINTON, I congratulate her for working on this as well. A number of Senators have worked on

making the Pell grant a year-round opportunity.

I am also delighted about legislation I introduced, again with Senator CLINTON, to expand Teach For America. Teach For America attracts some of the brightest young men and women in our country who have a passion for serving. There are many ways to serve our country. Some of our most valued are in Iraq and Afghanistan. Others are in the inner city helping children who haven't had a chance to learn to read, to learn to compute, and learn to have a chance in this country. As Lyndon Johnson used to say, we want people to be equal at the starting line, but we need to help some people get to that starting line, and through Teach For America, young men and women can do just that. This will build a corps of young college graduates who will spend 2 years in those schools, and it will expand the group of influential alumni of Teach For America who care about our public schools.

I actually think that what may end up being more important about Teach For America than their service for 2 years in the inner city schools is that we will expand these young men and women who will grow to be the leaders of this country in a relatively short period of time. Then they will always have within their personal missions the idea of giving every student an opportunity to go to a first-class public school. Having a corps of Americans who value education and who value public schools, especially, will do our country more good than almost anything I can think of.

Mr. President, I believe we have the best colleges and universities in the world. We don't just have some of them, we have almost all of them. They have their problems, but we should recognize the asset that they are. One of my primary goals as a Senator is to relieve the burdensome, oppressive paperwork that the Federal Government places upon our colleges and universities, freeing up scarce dollars to spend on improving quality teaching and research rather than paperwork.

The higher education system—and I want to be careful saying this because I don't want to drive anyone away from this idea—is a Republican's dream, a conservative's dream. We have 6,000 autonomous institutions. Some are public, some are private. Some are religious, some are secular. Some are historically Black, some are Native American, some are Jewish. Some are in cities. There is Harvard and there is the Nashville Auto Diesel College. There are 6,000 autonomous institutions that compete. We don't give money directly to those institutions, for the most part. We give the money to the students, and students take those vouchers—one-half of America's college students attend our autonomous institutions with a Federal grant or loan that helps them to pay for college, and they are flat out vouchers.

I have introduced several times a Pell grant for kids, saying that is what a voucher is for K–12, but we will reserve that discussion for another day.

Since World War II, quite by accident, we have said to the world: Here is the way we organize our education. It is a marketplace of 6,000 institutions, where (1) colleges compete for students, (2) Government money follows those students to the institution of their choice, and (3) the Federal research money is, for the most part, competed for in peer-reviewed efforts. The rest of the world is scrambling to catch up with our system.

In China, they are deregulating. In France, they are deregulating and creating a more competitive system and trying to emulate the model that we have.

So what concerns me about our Government's attitude toward higher education is the number of forms each institution has to fill out. I have a stack of forms this tall in my office. I didn't bring it here to the Senate floor. Every institution has to fill that out in order to accept students who bring with them Federal grants or loans, which are almost all of the students. That means the small church-related schools have to hire somebody else. They have to go through all that. The President of Stanford—not a small, church-related school—said 7 out of 10 cents of every tax dollar is spent on complying with Government regulations.

Would it not be better if we allowed Stanford and the small schools and the Nashville Auto Diesel College, as well as Harvard, to use more of their money to help students and less to comply with paperwork?

With passage of this bill, we will require the Advisory Committee on Student Financial Aid to review regulations imposed under the act and report to the Secretary and Congress ways to reduce regulation, streamline procedures, and simplify for the benefit of students. That will be one small force moving in the right direction.

It would create a discretionary grant program for an institution of higher education to maintain a Web site that keeps track of Federal regulations that have an impact on institutions of higher education. A small, church-related college might only have to hire a person who spends half of his or her time keeping up with the rules and regulations because the Web site might have done it for them.

We require the Secretary to develop an annual compliance calendar for disclosures required by the Higher Education Act.

These provisions might seem not very important, but I can guarantee you, as a former president of a university, they can make a lot of difference. I would like very much to have spread out before me a calendar from the Government that said we have listed all of the rules and regulations and forms and papers that you have to file. That would mean I knew what it was and that would save me a lot of time in figuring it out.

Despite that good news, I am afraid there are, nevertheless, problems in this bill. Currently there are 24 reporting categories and 74 reporting requirements with hundreds of data points. That is today, before this bill passes. My staff has identified 26 new categories and over 100 new reporting requirements imposed on higher education with this law, and that is even before the department starts its regulations.

So I hope we can figure out a way to create competitive forces in favor of deregulation. It is as bad on our side of the aisle as it is on that side of the aisle. Very often, my Republican friends say, for example, prices at colleges have gone up, so let's put on price controls.

When the pilgrims arrived in Massachusetts, they said we know what religious oppression is, so let's practice it ourselves. We are supposed to be for markets and choice and less Federal regulation. So let's apply that to Federal higher education.

I have worked on a number of provisions in the bill, and I thank Senators KENNEDY and ENZI for permitting me to do that, working with others, including Senators GREGG and REED, and I have worked on provisions that have been included that simplify the application form for students who apply for grants or loans.

As I mentioned, I worked with Senator CLINTON to help allow students who have Pell grants to use them year-round so they can finish earlier and get back to work and back with their families, rather than the antiquated requirement that they may only use them part of the year. I mentioned the compliance calendar to make it simpler for colleges, and the Teach for America plan, which Senators HARKIN and REID and others have cosponsored.

There is an accountability research grant and a state data system pilot project. I thank Secretary Spellings for agreeing with these. As a result of her study of higher education, which pointed out a number of important things, we do have a fine system of higher education, but it needs to be challenged if we are going to keep our advantage. I felt that the Secretary, in her recommendations, was going too far in federalizing higher education, whether it be transfer of credit provisions, or whether it might be proposals mandated from Washington about student accountability. I thought that was a good goal but the wrong way to go about it.

So Secretary Spellings has agreed to step back and focus instead on challenging our State boards of education and our college boards of trustees and our university presidents and our Governors and legislators to do their own on accountability. We are not going to kick it to Washington, DC, and let us conduct oversight of how they are doing their jobs, rather than to try to

impose more of the one-size or a few-sizes-fit-all ideas from Washington. A part of doing that would be these new grants from the Department.

In this bill, we have provided grants from the Secretary to create new measures for assessing student achievement in higher education. There is a difference in the Harvard classics department and the Nashville Auto Diesel College. I mention that because Harvard classics might be the best department for classics. I know the Nashville Auto Diesel College is the best training for mechanics. There is no need for us to figure out what is the appropriate accountability at those institutions.

With great respect to the chair and Senators KENNEDY and ENZI and the Department of Education, the institutions of higher education know more about accountability in higher education. We ought to make sure they are doing their job, not try and do it for them from here.

Mr. KENNEDY. Will the Senator yield for a consent agreement?

Mr. ALEXANDER. I am happy to.

Mr. KENNEDY. I believe I have time remaining. I ask unanimous consent that the remaining time be given to the Senator from New Jersey—I believe I have 5 minutes left—and I ask that he be given an additional 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ENZI. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator's time is yielded back.

Mr. ALEXANDER. Mr. President, I thank the Senator from Massachusetts and the Senator from Wyoming. Another example of what I would call the propensity to federalize education is to regulate the transfer of credit policy that individual institutions have. If we are going to have a marketplace, and if students are going to have choice, then it is the job of the students to find out from the colleges and universities what their rules are. Otherwise, we go to a European system or a Chinese system, or a system like our K–12 system where we, knowing all, tell everybody what to do, what the transfer of credit policies might be.

So I strongly resist saying that the Federal Government ought not to have anything to say about whether the Nashville Auto Diesel College ought to be required to accept a transfer of credit from the Harvard classics department. I am not sure that a graduate or student in Harvard classics would know anything about a Nissan engine in Nashville, and vice versa. I am pretty sure we don't need to interfere with that, particularly if so much of the excellence in our system comes from this competition, and these autonomous institutions and this marketplace that allows students, followed by Government money, to choose and allows researchers to compete to see who deserves the money.

So my hope is that as time goes on we can have a serious discussion in the Health, Education, Labor, and Pensions Committee and in the Education and Labor Committee in the House about deregulation of higher education. We all have good ideas about what to do. Some will be voted on as amendments tomorrow. If we all impose our good ideas from here, then they add up to another stack like this, and our higher education system begins to be smothered.

I have had the privilege of working at several levels in higher education. When I was president of the University of Tennessee, I had a lot of oversight. The Governor was chairman of the board. The legislature approved the largest share of money that I received. I had a board of trustees to which I had to respond. There was a faculty council to which I paid a lot of attention. In terms of student accountability, the professors graded students on a regular basis. The dean graded the professors. The trustees, the president, the provost, the Tennessee Higher Education Commission, the Governor, and the legislature all had their say. There is plenty of supervision of higher education based on my experience. So we need to be careful. We have been wise since World War II with our loans and grants that half of Americans use to go to college to say here is the money.

If the college is accredited, a student can take their choice. You may go to Notre Dame or to the community college down the street. You may go to the University of Tennessee or to Rhode Island. That is your choice, as long as it is accredited. Of course, some mistakes are made. I am sure that at the fringes some colleges are teaching goofy courses. Some schools are better than others.

Overall, we don't have any enterprise in America that today has consistently outperformed the rest of the world as well as our system of higher education—not our automobile business, not our aluminum business, and not our K–12 system. Even the Senate rarely raises above the level of the Baghdad Parliament when it comes to getting consensus on the war in Iraq. But the system of higher education, with all its sometimes stuffiness and its disagreeable political correctness, and even with the lengthy vacations and even with more tenure than probably is deserved, as a whole, is by far the finest in the world; and more regulation, as a whole, will make it worse, not more excellent.

There is one other provision I want to mention. I am glad the committee included this. It is a statement about the protection of free speech.

Willie Morris, who wrote the ''North Toward Home'' about his days in Mississippi and the University of Texas and New York, wrote an eloquent statement about how the American Association of University Presidents rose up about the political correctness at the time he was a student. That was in the 1950s—I guess early 1960s. At that time, the political correctness in part of Texas, or all of Texas, was segregationist, very conservative, and oppressive to those who had different points of view.

Today, the shoe is often on the other foot. Some deny that, but we know that is true. There are not many conservative speakers at college graduation ceremonies.

The PRESIDING OFFICER. The Senator's time has expired

Mr. ALEXANDER. I ask unanimous consent for 3 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALEXANDER. Often legitimate speakers with different points of view are booed and not welcomed in the academic environment.

I testified about this situation before Secretary Spellings' committee on higher education. I ask unanimous consent to have printed in the RECORD following my remarks my testimony in Nashville last year.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ALEXANDER. Mr. President, I hope my friends in the university community will see in me someone who values higher education, who defends the importance of it in our society, who is working hard to keep our brainpower advantage in the world marketplace, who supports funding it generously, but who also believes that the greatest Achilles' heel of our system of higher education today is political correctness and a failure to take it seriously.

Colleges and universities are places where people ought to be allowed to say even outrageous things from the right and from the left. It is not a free and academic environment if you are only allowed to say outrageous things from the left.

Without belaboring that point, I conclude my remarks by expressing my appreciation once more to Senators KENNEDY and ENZI. This is a first-rate bill. It will help students. It will help our country. It has a great many good ideas in it, and I hope there are others in this body and in the House of Representatives who will join me in recognizing that along with political correctness, the greatest threat to quality of higher education, in my view, is overregulation by the Federal Government, and perhaps over time we can find some sensible ways to give it a little more freedom from this big stack of regulations that piled up over the years.

I thank the Chair and yield the floor.

EXHIBIT 1

REMARKS OF SENATOR ALEXANDER TO COMMISSION ON THE FUTURE OF HIGHER EDUCATION, NASHVILLE, TENNESSEE

Thank you for the time you are giving to this Commission's work, and thank you for inviting me to testify.

I've seen higher education from many sides, so I'm sometimes asked, ''What's harder: being governor of a State, a member of a president's cabinet, or president of a university?''

My answer is, ''Obviously, you've never been president of a university, or you wouldn't ask such a question.''

I have six suggestions for recommendations you might make:

First, I hope you will urge the Administration that appointed you to make the National Academies' ''Augustine Report'' a focus of the President's State of the Union address in January and of his remaining three years in office.

This 20-point, $10 billion a year report is the National Academies' answer to the following question that Senator Pete Domenici, Senator Jeff Bingaman and I posed to them in May: ''What are the ten top actions, in priority order, that federal policy makers could take to enhance the science and technology enterprise so the United States can successfully compete, prosper and be secure in the global community of the 21st century?'' The report was written by a distinguished panel of business, government and university leaders headed by Norm Augustine, former CEO of Lockheed Martin.

As 2005 ends, we Americans—who constitute just five percent of the world's population—will once again produce nearly thirty percent of the world's wealth.

Most of this good fortune comes from the American advantage in brainpower: an educated workforce and our science and technology. More Americans go to college than in any other country. Our universities are the world's best, attracting more than 500,000 of the brightest foreign students. No country has national research laboratories to match ours. Americans have won the most Nobel Prizes in science, and have registered the most patents. We have invented the Internet, the automobile and the computer chip, television and electricity. From such advances have come a steady flow of the world's best paying jobs.

As one scientist has said, we don't have science and technology because we're rich. We're rich because we have science and technology.

Yet I am worried that America may be losing its brainpower advantage. Most Americans who travel to China, India, Finland, Singapore and Ireland come home saying, ''Watch out.''

The Augustine panel found I am right to be worried:

Last year, China trained 500,000 engineers, India 200,000, while the U.S. trained 70,000.

For the cost of one chemist or engineer in the U.S., a company can hire five chemists in China or 11 engineers in India.

China is spending billions to recruit the best Chinese scientists from American universities to return home to build up Chinese universities.

They also found signs that we are not keeping up:

U.S. 12th graders performed below the international average of 21 leading countries on tests of general knowledge in math.

In 2003, only three American companies ranked among the top 10 recipients of new U.S. patents.

Of 120 new chemical plants being built around the world with price tags of $1 billion dollars or more, one is in the U.S. and 50 are in China.

Among the Augustine Report's 20 recommendations were:

Recruit 10,000 new science and math teachers with 4-year scholarships and train 250,000 current teachers in summer institutes.

Triple the number of students who take Advanced Placement math and science exams.

Increase Federal funding for basic research in the physical sciences by 10 percent a year for 7 years.

Provide 30,000 scholarships and graduate fellowships for scientists.

Give foreign students who earn a PhD in science, engineering and computing a ''green card'' so they can live and work here.

Give American companies a bigger research and development tax credit so they will keep their good jobs here instead of moving them offshore.

Some may wince at the $10 billion a year price tag. I believe that the cost is low. America's brainpower advantage has not come on the cheap. This year, one-third of State and local budgets go to fund education. Over 50 percent of American students have a Federal grant or loan to help pay for college. The Federal government spends nearly $30 billion per year this year on research at universities and another $34 billion to fund 36 national research laboratories.

Just this year, Congress has authorized $75 billion to fight the war in Iraq, $71 billion for hurricane recovery, $13 billion in increased Medicaid spending and $352 billion to finance the National debt. If we fail to invest the funds necessary to keep our brainpower advantage, we'll not have an economy capable of producing enough money to pay the bills for war, Social Security, hurricanes, Medicaid and debt.

Aside from the war on terror, there is no greater challenge than maintaining our brainpower advantage so we can keep our good paying jobs. That is the surest way to keep America on top.

I have attached an executive summary of the Augustine Report to my comments.

Second, I suggest that you recommend that presidents of the United States appoint a lead adviser to coordinate all of the Federal government responsibilities for higher education.

My greatest regret as U.S. Education Secretary was that I did not volunteer to be that lead person. Secretary Spellings, with the appointment of this commission, has assumed at least some of that responsibility. But the authority of the Secretary of Education over higher education is somewhat like the authority of the U.S. Senate majority leader or a university president: overestimated. Almost every agency of the federal government has something to do with higher education, tens of billions of taxpayer dollars are invested every year and someone should be looking at all of this in a coordinated way.

Third, I urge you to join me on the bandwagon for deregulation of higher education.

The greatest threat to the quality of American higher education is not underfunding. It is overregulation. The key to the quality of our higher education system is that it is NOT a system. It is a marketplace of 6,000 autonomous institutions. Yet, thanks largely to the last two rounds of the Federal Higher Education Act, each one of our 6,000 higher education institutions that accepts students with Federal grants and loans must wade through over 7,000 regulations and notices. The president of Stanford has said that seven cents of every tuition dollar is spent on compliance with governmental regulations.

I have attached to my testimony remarks I made to the U.S. Senate in June when I introduced the Higher Education Simplification and Deregulation Act of 2005, much of which was incorporated in the Higher Education Act reauthorization bill this year.

Fourth, I urge the Congress to overhaul the Medicaid program and free states from outdated federal court consent decrees so that states may properly fund colleges and universities.

You have two charts before you that tell the story. Nationally, during the five year period from 2000 to 2004, State spending for Medicaid was up 36 percent, while State spending for higher education was up only 6.8 percent. As one result, tuition was up 38 percent.

The story in Tennessee was worse. Medicaid spending was up 71 percent, while higher education was up only 10.5 percent, and tuition was up 43 percent.

By the way, during this same four year period, Federal spending for higher education was up 71 percent.

When I left the governor's office in 1987, Tennessee was spending 51 cents of each State tax dollar on education and 16 cents on health care, mainly Medicaid. Today it is 40 cents on education and 26 cents on health care, mainly Medicaid.

To give governors and legislatures the proper authority to allocate resources, Congress should give States more authority over Medicaid standards and more ability to terminate outdated Federal court consent decrees that remove decision-making authority from elected officials.

In addition to the two charts on spending trends, I have attached my remarks when Senator Mark Pryor of Arkansas and I introduced the Federal Consent Decree Fairness Act.

Fifth, I hope you will put a spotlight on the greatest disappointment in higher education today: colleges of education. ''At a time when America 's schools face a critical demand for effective principals and superintendents, the majority of programs that prepare school leaders range in quality from inadequate to poor.'' Those are not my words, but those of a new report by Arthur Levine, the president of Teachers College, Columbia University. Or ask Richard Light, the Harvard professor, who is working with university presidents trying to find and inspire a new generation of leaders for our colleges of education. Sometimes colleges of education are even roadblocks to the very reforms they ought to be championing. In 1983, when I asked colleges of education to help me find a fair way to pay teachers more for teaching well (which not one State was doing at the time), they said it couldn't be done. So we invented our own system for thousands of teachers, with virtually no help from the very people who are in business to figure out such things. And still today, despite the good work of Governor Hunt and others, the lack of differential pay is the major obstacle to quality teaching.

I have attached an executive summary of Dr. Levine's report, ''Educating School Leaders.''

Finally, I hope you will put a spotlight on the greatest threat to broader public support and funding for higher education: the growing political one-sidedness which has infected most campuses, and an absence of true diversity of opinion.

To describe this phenomenon, allow me to borrow some words from the past, which may sound familiar to your chairman, Charles Miller, who was once Chairman of the Board of Regents of the University of Texas: ''systematic, persistent and continuous attempts by a politically dominant group to impose its social and educational views on the university.'' This was what the American Association of University Professors (AAUP) called it in its censure of Texas Governor Pappy O'Daniel's Board of Regents when the Board fired University of Texas President Homer Rainey in the 1940s. This is reported in Willie Morris' book, ''North Toward Home.'' Then the AAUP was talking about one-sidedness imposed by the right, instead of by the left—but political one-sidedness is political one-sidedness, no matter from what direction it comes.

There is more to this charge of one-sidedness than the academic community would like to admit. How many conservative speakers are invited to deliver commencement addresses? How many colleges require courses

in U.S. history? How many even teach Western Civilization? How many bright, young faculty members are encouraged to earn dissertations in the failures of bilingual education or on the virtues of vouchers or charter schools?

I am not surprised that most faculties express liberal views, vote Democratic and that most faculty members resist authority. That is the nature of most university communities. But I am disappointed when true diversity of thought is discouraged in the name of a preferred brand of diversity. This one-sidedness is not good for students. It is not good for the pursuit of truth. And it undermines broad public support for higher education. The solution to this political rigidity lies not in Washington, D.C., but in the hands of trustees, deans and faculty members themselves.

Last year Senator Kay Bailey Hutchison of Texas invited former Brazilian President Fernando Henrique Cardoso to join a small group of U.S. senators in the majority leader's office for a discussion. Dr. Cardoso was completing a residency at the Library of Congress.

''What memory of the United States will you take back to your country?'' Senator HUTCHISON asked Dr. Cardoso.

''The American university,'' he replied immediately. ''The uniqueness, strength and autonomy of the American university. There is nothing like it in the world.''

I salute Secretary Spellings and this Commission for undertaking to preserve and improve higher education, America's secret weapon for its future success.

In coming to your conclusions, I hope that you will urge the President to adopt the Augustine Report and to designate a lead advisor for higher education, that you will jump on the bandwagon to deregulate higher education and preserve its autonomy, that you will urge Congress to overhaul Medicaid and Federal court consent decrees so States can properly fund higher education, and that you will urge trustees to revamp colleges of education and ensure a campus environment that honors true diversity of opinion.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. MENENDEZ. Mr. President, I also rise in strong support of the higher education reauthorization bill before the Senate today.

I first thank my colleague, the chairman of the Health, Education, Labor and Pensions Committee, a true champion for education in our country. Senator KENNEDY's vision for higher education will help make sure college is more accessible and affordable to all our young people regardless of their race, their class, or their income. It is because of the vision of Senator KENNEDY, of Senator Pell before, and others that the doors to college have been opened to millions of Americans who otherwise would not have had access to that American dream.

I appreciate Senator ENZI's leadership as well in bringing and moving this bill on the floor. I salute him for all of his work, both on the bill we had last week and now the bill we have today. It is a tremendous testament of what we can do when we join in a common cause.

As someone whose dreams of college could not have been realized without the power of the Pell grant and without other Federal aid, I am proud to be able to support legislation that will open the doors for the next generation of students in this country. Without the critical assistance I received, I would never have been able to be the first in my family to graduate from college, then later from law school, and I certainly wouldn't be speaking here on the floor of the Senate.

The bill before us takes great steps toward improving and leveling the playing field for all students so that more students are able to access and afford a higher education. Today, all students do not have an equal chance to attend college. As an example, Latinos and African Americans are less likely to be able to afford college and, therefore, more likely to qualify for Federal financial aid. Latinos and African Americans are 40 to 60 percent less likely to earn a bachelor's degree in their lifetime than other students. By also expanding Federal aid opportunities for minorities, the bill will help improve those numbers and close the gap in higher education.

My own story of growing up poor yet having the opportunity to fulfill my dream of attending college because of Federal aid is still true as a challenge for so many of our young people today, and it will continue to be for the young people of tomorrow.

The changes in this bill come at a critical time. It is projected that by the year 2015, 8 short years from now, college enrollment of African-American students will increase by 23 percent, and for Latinos that number will increase by a whopping 73 percent. Moreover, 75 percent of undergraduate students are nontraditional students, meaning they either are attending part time and working full time, non-high school graduates, or have dependents, among other characteristics. The student populations of our Nation's colleges will increasingly reflect the changing landscape of our country. So this bill is going to help all of our students.

More and more of our students will not be the sons and daughters of previous college graduates. The student of tomorrow will be a mother who juggles a full-time job and attends community college part time at night so she can gain skills that will lead to a better job and provide her children economic security.

The student of tomorrow will be a naturalized U.S. citizen who, with the help of Federal aid, can fulfill his dream of becoming an engineer who can give back to this country by helping build new infrastructure.

The student of tomorrow will be a foster child who is able to attend college with Federal aid and fulfill her dream of becoming a nurse so she can not only live a stable life but give back to a system that saved hers.

The student of tomorrow will be a bright high school student who works part time through college and despite his family's low income can attend the college of his choice because of Pell and Perkins.

These are the students who will help define the students of our Nation—the first-generation students breaking through new barriers, the parents working to improve life for their children, the naturalized citizen building a better life in this country. They will each be charting their own path, able to realize their dreams because of the opportunity only a college education can provide.

How well educated they are will not just determine how successful they are in the workforce but how successful our Nation is in the global economy. As a nation, I am convinced that the single greatest asset we will have in this global economy is our collective intellect. To be a leader globally, we will have to be at the apex of the curve of intellect. That means the most highly educated generation this Nation has ever known. To get there, our education pipeline must be accessible and affordable to a great cross-section of young people.

However, rising costs, combined with far too stagnant growth in family income and declining Federal aid, have effectively priced out many students. Even with student loans and work study, today's students have thousands in unmet financial need they often cannot afford to pay. As a nation, we simply cannot afford to have our students priced out of a college education. Our Nation's future depends on it.

The legislation before us will make key changes to help ensure the doors to college remain open to all, not just those who can afford it out of pocket. This bill realizes that improving access to college does not just mean increasing funding. Improving access to college means curbing rising tuition costs so that young people will be able to better afford a higher education. This bill will hold colleges accountable for rising tuition costs by making tuition data public and available so students and their families can compare costs. By publicizing costs to prospective families, colleges will need to justify tuition increases that far exceed those of comparable institutions.

Improving access to college means reforming the student loan system so students get loans that are fair, not loans that wash them away in debt. Outrageous loan debt is forcing borrowers to delay either buying a home in the future or taking the dream job of their choice after college simply because it will not pay enough. This bill reverses this troubling trend by not only expanding Federal aid but ensuring students are getting the best possible deal when they take out a loan.

Improving access to college also means starting at the first step—filling out the forms. As someone who had to fill out the FAFSA form by myself, it was pretty daunting. For any student facing this process on their own or for families with income, language, or other barriers, the financial aid process itself can be overwhelming. By reducing the FAFSA from 10 pages to 2

pages, we make it easier for students to accomplish the very first step necessary to get financial aid.

By improving access to college, it also means helping students get on the right path early by strengthening and expanding programs such as GEAR UP and TRIO, by promoting quality teacher preparation programs, and helping high-needs public schools recruit and retain high-quality teachers. This bill takes low-income and first-generation students closer to their dreams of college.

We also need to expand access beyond the undergraduate realm. I am particularly pleased that this bill expands funding for minority-serving institutions and specifically supports the creation of graduate programs at Hispanic-serving institutions, a proposal I have supported for a long time. Latinos currently make up less than 6 percent of graduate students, and by expanding opportunities at Hispanic-serving institutions which enroll more than 50 percent of all Latino students in this country, this expansion is an important step to ensuring the Nation's graduate and doctorate students reflect the diversity of our Nation.

Ensuring our students are prepared to be the next generation of innovators, business owners, and leaders requires a serious commitment to making college affordable and accessible. This means making education work for all students. That is why we must take the steps to increase critical grant aid and strengthen key programs to help open the doors to college for all our young people. We must ensure our young people are getting the best possible deal when they apply to college and that every student who is willing to work hard has the opportunity to graduate from college.

I believe that in this Nation in which this challenge for us globally is so significant, in which an engineer's report is created in India and transmitted back to the United States for a fraction of the cost, in which a radiologist's report is done in Pakistan and sent to your local hospital, read by your local doctor, if you have a problem with a credit card, as I recently did, you may end up in a call center in South Africa, in the pursuit of human capital for the creation of a product for the delivery of a service; we are globally challenged. That is why this ability to have a generation that has the greatest educational achievement is so important to the Nation's competitive future.

I want to make sure that the opportunity I had as someone who had challenges is an opportunity that can be met by every student who is willing to work hard, has the ability, and gives something back to their country. This bill is going to make that happen. I think this bill takes us significantly in the right direction. I hope it will have incredibly robust support when its final passage comes up for a vote.

Mrs. HUTCHISON. Mr. President, I rise today to speak about the Higher Education Act.

As the reauthorization process continues, I want to highlight the importance of Hispanic serving institutions, and the role they play in educating our young people.

Hispanics should have equal opportunities to receive a first-class education, acquire the great jobs available in America, and pursue careers in any field they desire whether it's in medicine, law, business, education, or any other area.

According to the Census Bureau, Hispanics account for 1 out of every 2 people who are added to the Nation's population, and the U.S. Department of Labor estimates that 1 out of every 3 new entrants into the job market is Hispanic.

The percentage of Hispanic students attending college has also increased significantly over the past few years. Because the pace of bachelor's degrees earned by Hispanics is accelerating rapidly, we must keep pace by increasing the capacity of our institutions of higher education to serve these students.

Our Hispanic serving institutions are able to do this.

HSIs continue to grow in stature and importance. They are home to more than half of all Hispanic college students, and are often the only viable opportunity for individuals of modest economic backgrounds to attend college.

I applaud HSIs for their vast contributions in providing quality educational opportunities to all Hispanic and non-Hispanic students who attend their institutions, and I remain committed to opening the doors of higher education to all Americans and keeping our country competitive in the global marketplace.

I have been proud to serve as cochair of the HSI Coalition with my colleague Senator BINGAMAN of New Mexico. The success we have had over the past 11 years has us headed in the right direction.

From 1995–2006, we have helped increase Federal funding for HSIs from $12 million to $95.8 million.

The Third Higher Education Extension Act of 2006 removed two barriers harmful to Hispanics and HSIs. It eliminated the 2-year wait-out period between HSI grant funding cycles, as well as the requirement that 50 percent of the Hispanic student population must be low-income for the school to qualify for HSI eligibility. This allows HSIs to gain funding without costly gathering and reporting of individual Hispanic-student income documentation, which was often impossible for universities to obtain.

Despite the positive increases in college student matriculation, overall, too few Hispanic-Americans graduate from high school or college. If we fail to properly educate one-half of America's future workforce, there will be disastrous economic and social consequences for the entire nation.

As we debate the reauthorization of the Higher Education Act, I want to make sure that our federally-designated HSIs are not left behind.

I have ensured that the language of the Next Generation Hispanic Serving Institutions Act is included in the Higher Education Act. I am an original cosponsor of this legislation, which I introduced with Senator BINGAMAN on February 13, 2007.

This bill provides fellowships and support services for graduates, as well as facility and faculty improvements at HSIs. It provides new technology for distance education and collaborative arrangements with other institutions.

In addition, the legislation increases the authorization of the current HSI program to $175 million and authorizes $125 million for the new HSIs graduate program for fiscal year 2008.

I strongly urge my colleagues in the Senate to support these provisions.

Mr. CARDIN. Mr. President, I rise today in strong support of the higher education amendments before the Senate. This bill works toward one of the most important responsibilities elected representatives shoulder: opening the doors of educational opportunity for each American child and every American family.

Last week, the Senate took a critical step toward making college more affordable by passing the Higher Education Access Act, legislation that increases Pell grants, caps student loan repayments, and provides loan forgiveness for those who enter and stick with careers in public service.

But we must actually control college costs if we hope to make permanent progress on college affordability. The legislation now before the Senate would not only allow the Secretary of Education to highlight those colleges and universities whose tuition increases are out of line with their peers, it would allow the Secretary to study what factors are driving soaring higher education costs in this country and identify what measures could be utilized to bring them under control.

Even with this effort and the important measures passed last week, most students and their families in Maryland and around the Nation will still have to borrow money to make their college dream a reality.

Today, that means completing lengthy and confusing Federal and school-based student aid applications. Once those applications are submitted, families must decipher various colleges' price estimates and various banks' descriptions of loan terms and conditions. Financial award letters often contain inconsistent definitions and formats to describe the cost of attendance, the financial aid offered, and the costs associated with various types of loans. Too many banks provide inadequate information about their rates and terms. As a result, families are unable to shop around for the financial

aid package or best loan rates and are ill-prepared for post-graduation monthly payments. Jim Guest, president of the Consumers Union, has said that ''[f]inancing a house or car can be confusing, but it's nothing compared with trying to pay for a college education.''

In the face of such confusion, many students and their families turn to financial aid officers to guide their choices. But throughout this year, thanks to the New York Attorney General and my distinguished colleagues on the Senate Health, Education, Labor, and Pensions Committee, we have learned that some financial aid officers, including, unfortunately, some from Maryland, were not giving families honest advice. Some financial aid offices were receiving expensive gifts, travel and other kickbacks from lenders and in return recommended those lenders to students, even if the product was not in the students' best interest.

This important legislation takes critical steps to reform the entire student loan system so that students and their families will receive timely, accessible, and reliable information and can make wise college financing decisions.

First and foremost, the legislation would simplify the financial aid process for all students and their families.

The bill reforms the Federal financial aid application. The Free Application for Federal Student Aid, FAFSA, is currently 10 long pages full of complex questions. Its length and complexity create an unnecessary obstacle for low- and middle-income students seeking the aid they need to attend college. The higher education amendments simplify the FAFSA by creating a new two-page EZ-FAFSA for low-income students, and phasing out the current seven-page FAFSA for all applicants within 5 years.

Further, the bill creates a pilot program that allows students to receive an aid determination or estimate in their junior year of high school. Rather than making complicated decisions in a frenzy of paper and options, the bill facilitates student planning, giving families time to investigate their financing options.

This critical bill makes sure that those options are easier to understand. The bill requires the Secretary of Education work with colleges and universities to develop several model price calculators that would give students an institution's actual net price. With these bottom-line prices in hand—in clear and consistent terms—families will be better equipped to make the right college and financing choices.

Plus, the bill requires lenders clearly disclose the terms of their loans and again asks the Secretary of Education to develop a consumer-friendly format so that families receive information in a consistent and accessible way.

But critically important, the bill protects students by ensuring colleges recommend lenders based on students—not banks' or financial aid officers'—best interest.

The bill requires that colleges adopt and enforce a code of conduct that prohibits the college or any of its employees from accepting any significant gifts, trips, services, or other benefits from lenders, period. If a college chooses to select a ''preferred lender,'' it must provide the Secretary of Education and the public a clear report explaining why the preferred products are in the best interest of students or their parents.

These provisions take critical steps towards cleaning up the student loan industry by removing the conflicts of interest that compromised the advice and integrity of too many financial aid offices and officers.

Beyond the student loans, the higher education amendments make more grant aid available to students in Maryland and around the nation. This bill expands eligibility criteria for Academic Competitiveness Grants, ACG, and National Science Mathematics Access to Retain Talent, SMART, grants; expands critical opportunities and services provided for low-income, first generation, and homeless college students under Federal TRIO Programs; increases grants to States to provide its young scientists and mathematicians with scholarships; and increases colleges' ability to reach out and prepare younger students for college through partnership programs. The bill makes it easier for colleges to use grant money to provide financial counseling and for students to engage in public service opportunities as part of their work-study obligations.

Grant programs encourage colleges to build partnerships with the business community to address the Nation's workforce needs and to build programs that teach all students, and especially minority students, foreign languages and encourage them to enter international service fields. The bill creates a new grant program for predominantly Black institutions to enhance their capacity to service more low- and middle-income Black American students; and a new grant for colleges to develop and improve their campus safety and emergency response systems in the wake of the terrible tragedy at Virginia Tech.

What do these changes mean for Maryland students? Well, instead of filling out a seven-page monstrosity, students will have access to a simpler two-page form, and eventually an online smart form that tailors later questions as a student answers earlier ones and may even be able to populate information from forms submitted to the IRS and other Government agencies.

Students will know their financial needs by their junior year of high school, enabling their family to examine straight-forward and honest documents outlining financing options. Families will be able to rely on financial aid officers for honest advice and will have greater access to financial aid counseling. Expanded grant eligibility requirements will give Maryland students increased access to grants and a better ability to pursue their dreams. St. John's students in Annapolis, for instance, will now be able to apply for SMART grants whereas this unique institution's absence of formal majors was a barrier to student eligibility in the past. Students who choose to go to school year round will be eligible for a second Pell grant. The books and supplies allowance for Federal work-study students will go from $450 to $600.

Perhaps most important, this bill takes steps toward addressing one of the most critical education problems we have in this country: a growing teacher shortage. As you know, Mr. President, teachers are our most valuable resource when it comes to educating our Nation's children. According to research, teacher quality is the schooling factor with the greatest effect on student achievement. Good teachers can make up to a full year's difference in learning growth for students and dwarf the impact of any other educational investment, even smaller class sizes.

But between the retirement of hundreds of thousands of baby boomers, efforts to reduce class sizes, and the No Child Left Behind law's raised standards for new teachers, school systems across the Nation can't find enough qualified recruits to fill their class rooms.

Maryland is no different. In 2006, the Maryland Higher Education Commission found that the State ''is not producing or attracting enough teachers to fulfill the staffing requirements of the State's school systems, especially in high need certification fields.'' High turnover only makes the problem worse.

It is widely accepted that it takes 5 years to master the complex art of teaching. But one-third of new teachers leave the profession within 3 years, half within 5 years, and attrition is greater in schools in low-income, urban districts. Of the estimated 6 million people in the U.S. with teaching backgrounds or credentials, only 3 million are actually teaching. Not only does the turnover leave our classrooms without teachers, but recruiting and training new teachers costs the country $7 billion a year.

Because research shows even modest monetary incentives lower teacher attrition, especially in high-risk school districts, I introduced the Master Teacher Act of 2007 to reward ''master teachers'' with a 25-percent Federal tax exemption on their salary for 4 years if they agree to teach in a school that is not meeting No Child Left Behind's annual achievement goals. That legislation is now before the Senate Finance Committee.

But more must be done to attract our best and brightest to teaching and then keep them there. Most professions, require new entrants go through extensive formal or informal apprenticeships before taking on the profession's full responsibilities. Not many graduate

law school and the next day walk into a courtroom and try a death penalty case or graduate medical school and immediately walk into an operating room to perform open-heart surgery. Those professions require decades of training post-graduation. Teaching is an equally complex profession, melding academic theory and practice, and carries enormous responsibility for children's personal and our Nation's collective economic future.

But too many teachers are thrown into a classroom with their own students, many with complex social, emotional, and learning needs, without sufficient training or support. And too many leave the profession feeling frustrated, defeated, and disheartened. Studies have shown a connection between support in the first year and teachers' moving between schools and leaving the profession. A helpful mentor, as reported by teachers, significantly reduces the chances of quitting in the first year. Common planning time and collaboration with other teachers are strong predictors of teachers' decisions to stay in a school and the profession.

The higher education amendments will improve teacher quality, training, and retention by promoting high-quality and effective teacher preparation programs for new and prospective teachers, and help high-need schools by focusing on recruiting and retaining high-quality teachers in high-need schools.

The bill creates competitive grants for innovative teacher preparation programs that address the need for stronger teaching methods and better teacher support. The bill provides a competitive grant for college level preparation programs that include evidence-based teaching methods, mentoring programs for the teacher's first 2 years in service—called induction programs—and new accountability measures to allow programs to improve the training offered.

The bill also provides grants to teaching residency programs, programs that provide participants a 1-year stipend to engage in a guided teaching apprenticeship with a master teacher that integrates theory and practice and includes master's degree coursework. These residency programs must place participants in high-needs schools and work with local school districts to develop an induction program to provide continued support to residents once the program ends. These programs must also contain accountability measures methods that allow for program evaluation and improvement.

I want to express my gratitude to Senators KENNEDY and ENZI and the rest of my colleagues on the Senate Health, Education, Labor, and Pensions Committee for all their hard work and leadership in bringing such a comprehensive and innovative bill to the floor.

Mr. President, I first ran for elected office in my home State of Maryland at the age of 22. I sought elected office because I believed that government can make a difference in people's lives. This bill, reauthorizing the Higher Education Act of 1965, does just that, and I am proud to offer my support.

Mr. REED. Mr. President, due to the delay of my flight from Rhode Island, I was unavoidably absent for vote No. 273, the Brown amendment to create a new Federal Supplemental Loan program.

Had I been present, I would have supported the Brown amendment No. 2376. We know that more and more students are taking out private loans with high interest rates. Senator BROWN's amendment seeks to provide an alternative for those students who have exhausted their grant and Stafford loan aid and continue to need assistance in meeting their college cost of attendance. I have heard concern that such a program could provide a disincentive to States to provide additional grant aid, but I believe we must address the fact that too many moderate- and low-income students take out high interest private loans, which creates an unmanageable loan burden for these students and their families. The Brown amendment is an attempt to rectify this situation and although not perfect, it is worthy of inclusion in the committee's deliberation.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, what is the pending order of business?

The PRESIDING OFFICER. The pending amendment is the Kennedy second-degree amendment to the Coburn amendment.

AMENDMENT NO. 2377

Mr. DURBIN. Mr. President, I ask unanimous consent to return to the amendment I filed earlier.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is now pending.

Mr. DURBIN. I ask the Chair if there is a pending second-degree amendment by the Senator from Iowa.

The PRESIDING OFFICER. There is.

Mr. DURBIN. I would say to the Chair, for those Members following, there has been agreement reached, and there will be no objection to the adoption of the second-degree amendment to my amendment and then the adoption of my amendment, both by voice vote.

So at this point, I urge the adoption of the second-degree amendment offered by the Senator from Iowa.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 2380) was agreed to.

Mr. DURBIN. Now, Mr. President, I urge adoption of the Durbin amendment, as amended by the second-degree amendment of the Senator from Iowa.

The PRESIDING OFFICER. Without objection, the amendment, as amended, is agreed to.

The amendment (No. 2377), as amended, was agreed to.

AMENDMENT NO. 2381

Mr. DURBIN. Mr. President, I ask to return to the pending business before I make my unanimous consent request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that when the Senate resumes consideration of S. 1642 in the morning, July 24, no amendments other than those in this agreement be in order; that there be 20 minutes of debate time remaining, divided as follows: 10 minutes each for Senators KENNEDY and ENZI; upon the use of that time, the Senate proceed to vote in relation to the Kennedy second-degree amendment, No. 2387; that upon disposition of the Kennedy amendment, if the Kennedy amendment is agreed to, then it be in order for Senator COBURN to offer a further second-degree amendment on the same subject; that there be 2 minutes of debate prior to a vote in relation to the Coburn second-degree amendment, if offered, with the time equally divided and controlled in the usual form; that upon disposition of the Coburn second-degree amendment, there be 2 minutes for debate, equally divided, prior to a vote in relation to the Coburn amendment No. 2369, as amended; that upon disposition of the Coburn amendment No. 2369, as amended, if amended, the committee substitute amendment, as amended, be agreed to, the motion to reconsider be laid upon the table; the bill be read a third time, and the Senate proceed to vote on passage of the bill without further intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent we proceed to a period of morning business with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

MINIMUM WAGE INCREASE

Mr. KENNEDY. Mr. President, tomorrow we will celebrate the first increase in the minimum wage in 10