

114TH CONGRESS
1ST SESSION

H. R. 1287

To amend the eligibility requirements for funding under title IV of the
Higher Education Act of 1965.

IN THE HOUSE OF REPRESENTATIVES

MARCH 4, 2015

Mr. DESANTIS (for himself, Mr. BISHOP of Utah, Mr. CLAWSON of Florida, Mr. COFFMAN, Mr. DESJARLAIS, Mr. FARENTHOLD, Mr. FRANKS of Arizona, Mr. GROTHMAN, Mr. HUDSON, Mr. HUELSKAMP, Mr. JONES, Mr. MASSIE, Mr. MULVANEY, Mr. PALMER, Mr. PERRY, Mr. POMPEO, Mr. OLSON, Mr. RIBBLE, Mr. ROONEY of Florida, Mr. SALMON, Mr. WALKER, Mr. WILSON of South Carolina, Mr. YOHO, Mr. ZINKE, Mr. GOSAR, and Mrs. LOVE) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To amend the eligibility requirements for funding under title
IV of the Higher Education Act of 1965.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Higher Education Re-
5 form and Opportunity Act of 2015”.

1 **SEC. 2. AMENDMENTS TO THE HIGHER EDUCATION ACT.**

2 (a) DEFINITION OF INSTITUTION OF HIGHER EDU-
3 CATION.—Section 102(a) of the Higher Education Act of
4 1965 (20 U.S.C. 1002(a)) is amended—

5 (1) by redesignating paragraphs (5) and (6) as
6 paragraphs (6) and (7), respectively;

7 (2) in paragraph (1), in the matter preceding
8 subparagraph (A), by striking “Subject to para-
9 graphs (2) through (4)” and inserting “Subject to
10 paragraphs (2) through (5)”;

11 (3) in paragraph (1)—

12 (A) by redesignating subparagraphs (B)
13 and (C) as subparagraphs (C) and (D), respec-
14 tively; and

15 (B) by inserting after subparagraph (A)
16 the following:

17 “(B) if accredited by an authorized accred-
18 itation authority in a State that has an alter-
19 native accreditation agreement with the Sec-
20 retary, as described in paragraph (5)—

21 “(i) an institution that provides post-
22 secondary education;

23 “(ii) a postsecondary apprenticeship
24 program; or

25 “(iii) a postsecondary education
26 course or program provided by an institu-

1 tion of postsecondary education, a non-
2 profit organization, or a for-profit organi-
3 zation or business;” and

4 (4) by inserting after paragraph (4), the fol-
5 lowing:

6 “(5) STATE ALTERNATIVE ACCREDITATION.—

7 “(A) IN GENERAL.—Notwithstanding any
8 other provision of law, a State may establish an
9 alternative accreditation system for the purpose
10 of establishing institutions that provide postsec-
11 ondary education and postsecondary education
12 courses or programs as eligible for funding
13 under title IV if the State enters into an agree-
14 ment with the Secretary for the establishment
15 of the alternative accreditation system. Such in-
16 stitutions, courses, or programs may include—

17 “(i) institutions that provide postsec-
18 ondary education;

19 “(ii) postsecondary apprenticeship
20 programs;

21 “(iii) any other postsecondary edu-
22 cation course or program offered at an in-
23 stitution of postsecondary education, a
24 nonprofit organization, or a for-profit orga-
25 nization or business; and

1 “(iv) any of the entities described in
2 clauses (i) through (iii) that do not award
3 a postsecondary certification, credential, or
4 degree, provided that such entity provides
5 credit that will apply toward a postsec-
6 ondary certification, credential, or degree.

7 “(B) ALTERNATIVE ACCREDITATION
8 AGREEMENT.—The alternative accreditation
9 agreement described in subparagraph (A) shall
10 include the following:

11 “(i) The designation of one or more
12 authorized accrediting entities within the
13 State, such as the State Department of
14 Education, another State agency, an indus-
15 try-specific accrediting agency, or another
16 entity, and an explanation of the process
17 through which the State will select such
18 authorized accrediting entities.

19 “(ii) The standards or criteria that an
20 institution that provides postsecondary
21 education and a postsecondary education
22 course or program must meet in order to—

23 “(I) receive an initial accredita-
24 tion as part of the alternative accredi-
25 tation system; and

1 “(II) maintain such accredita-
2 tion.

3 “(iii) A description of the appeals
4 process through which an institution that
5 provides postsecondary education and a
6 postsecondary education course or program
7 may appeal to an authorized accrediting
8 entity if such institution, course, or pro-
9 gram is denied accreditation under the
10 State alternative accreditation system.

11 “(iv) Each authorized accrediting en-
12 tity’s policy regarding the transfer of cred-
13 its between institutions that provide post-
14 secondary education and postsecondary
15 education courses or programs within the
16 State that are accredited as part of the al-
17 ternative accreditation system.

18 “(v) The Secretary’s reporting re-
19 quirements for the State regarding the
20 State alternative accreditation system, in-
21 cluding—

22 “(I) the contents of reports that
23 must be submitted to the Secretary,
24 which may include information such
25 as—

1 “(aa) in the case of a post-
2 secondary education course or
3 program that is accredited
4 through the State alternative ac-
5 creditation system—

6 “(AA) the number and
7 percentage of students who
8 successfully complete each
9 such postsecondary edu-
10 cation course or program;
11 and

12 “(BB) the number and
13 percentage of students who
14 successfully obtain a post-
15 secondary certification, cre-
16 dential, or degree using
17 credit obtained from each
18 such postsecondary edu-
19 cation course or program;
20 and

21 “(bb) in the case of an insti-
22 tution that provides postsec-
23 ondary education that is accred-
24 ited through the State alternative
25 accreditation system—

1 “(AA) the number and
2 percentage of students who
3 successfully obtain a post-
4 secondary certification, cre-
5 dential, or degree from such
6 institution; and

7 “(BB) the number and
8 percentage of students who
9 do not successfully obtain a
10 postsecondary certification,
11 credential, or degree from
12 such institution but do ob-
13 tain credit from such insti-
14 tution toward a postsec-
15 ondary degree, credential, or
16 certification;

17 “(II) the frequency with which
18 such reports must be submitted to the
19 Secretary; and

20 “(III) any requirements for third
21 party verification of information con-
22 tained in such reports.

23 “(vi) The State policy regarding pub-
24 lic accessibility to certain information re-
25 lating to institutions that provide postsec-

1 ondary education and postsecondary edu-
2 cation courses and programs accredited
3 under the State alternative accreditation
4 system, including—

5 “(I) the information described in
6 subclause (I) of clause (v); and

7 “(II) information about the rates
8 of job placement for individuals that
9 have graduated from an institution or
10 completed a course or program that is
11 accredited under the State alternative
12 accreditation system.

13 “(vii) An assurance by the State that
14 under the State alternative accreditation
15 system, only institutions that provide post-
16 secondary education and postsecondary
17 education courses or programs that provide
18 credits toward a postsecondary certifi-
19 cation, credential, or degree (as defined by
20 the State in accordance with clause (viii))
21 will be accredited.

22 “(viii) The State’s definition of a
23 postsecondary certification, credential, or
24 degree, as such term applies to the require-
25 ment described in clause (vii).

1 “(ix) A description of the agreements
2 that the State will enter into with institu-
3 tions that provide postsecondary education
4 and postsecondary education courses or
5 programs that are accredited under the al-
6 ternative accreditation system to enable
7 such institutions, courses, or programs to
8 be eligible under a program authorized
9 under title IV, for participation in the di-
10 rect student loan program, and for the
11 origination of loans under part D of title
12 IV, and how such agreements will operate
13 in lieu of the agreements described in sec-
14 tions 487 and 454.

15 “(x) A description of how the State
16 will select institutions that provide postsec-
17 ondary education and postsecondary edu-
18 cation courses or programs that are ac-
19 credited under the alternative accreditation
20 system, in lieu of the selection process de-
21 scribed in section 453, for—

22 “(I) participation in the direct
23 student loan program under part D of
24 title IV; and

1 “(II) approval allowing such in-
2 stitution, program, or course to origi-
3 nate direct loans under part D of title
4 IV.

5 “(xi) A description of how the State
6 will administer title IV funds for institu-
7 tions that provide postsecondary education,
8 postsecondary apprenticeship programs,
9 and postsecondary education courses or
10 programs provided by an institution of
11 postsecondary education, a nonprofit orga-
12 nization, or a for-profit organization or
13 business that are accredited through the
14 alternative accreditation system.

15 “(C) ADMINISTRATIVE COSTS FOR PELL
16 GRANT STUDENTS.—

17 “(i) PELL GRANTS ADMINISTERED BY
18 ENTITIES.—In the case of an institution
19 that provides postsecondary education, a
20 postsecondary apprenticeship program, or
21 an entity that provides a postsecondary
22 education course or program that is ac-
23 credited through the alternative accredita-
24 tion system and that will administer the
25 Federal Pell Grant, Federal Perkins Loan,

1 Federal Work-Study, and Federal Supple-
2 mental Educational Opportunity Grants in
3 accordance with the agreement described
4 in subparagraph (B)(xi), the Secretary
5 shall, in lieu of carrying out section 690.10
6 of title 34, Code of Federal Regulations,
7 and subject to available appropriations,
8 pay \$5.00 to the institution, apprenticeship
9 program, or entity, as the case may be, for
10 each student who receives a Federal Pell
11 Grant at that institution, apprenticeship
12 program, or entity for an award year.

13 “(ii) PELL GRANTS ADMINISTERED BY
14 STATES.—In the case of an institution that
15 provides postsecondary education, a post-
16 secondary apprenticeship program, or an
17 entity that provides a postsecondary edu-
18 cation course or program that is accredited
19 through the alternative accreditation sys-
20 tem and will not administer the Federal
21 Pell Grant, Federal Perkins Loan, Federal
22 Work-Study, and Federal Supplemental
23 Educational Opportunity Grants, but will
24 have such programs administered by the
25 State in accordance with the agreement de-

1 scribed in subparagraph (B)(xi), the Sec-
2 retary shall, in lieu of carrying out section
3 690.10 of title 34, Code of Federal Regula-
4 tions, and subject to available appropria-
5 tions, pay \$5.00 to the State for each stu-
6 dent who receives a Federal Pell Grant at
7 that institution, apprenticeship program,
8 or entity, as the case may be, for an award
9 year.

10 “(iii) USE OF FUNDS.—All funds that
11 an institution, apprenticeship program, en-
12 tity, or the State receives under this sub-
13 paragraph shall be used solely to pay the
14 cost of—

15 “(I) administering the Federal
16 Pell Grant, Federal Perkins Loan,
17 Federal Work-Study, and Federal
18 Supplemental Educational Oppor-
19 tunity Grants; and

20 “(II) carrying out the reporting
21 requirements described under sub-
22 paragraph (B)(v).

23 “(iv) FINANCIAL AID SERVICES.—If
24 an institution, apprenticeship program, or
25 entity described in this subparagraph en-

1 rolls a significant number of students who
2 are attending less-than-full-time or are
3 independent students, such institution, ap-
4 prenticeship program, entity, or the State,
5 as the case may be, shall use a reasonable
6 proportion of the funds provided under this
7 subparagraph to make financial aid serv-
8 ices available during times and in places
9 that will most effectively accommodate the
10 needs of those students.”.

11 (b) TITLE IV ELIGIBILITY REQUIREMENTS.—Part G
12 of title IV of the Higher Education Act of 1965 (20 U.S.C.
13 1088 et seq.) is amended by adding at the end the fol-
14 lowing:

15 **“SEC. 493E. STATE ACCREDITED INSTITUTIONS, PRO-**
16 **GRAMS, OR COURSES.**

17 “Notwithstanding any other provision of law, an in-
18 stitution, program, or course that is eligible for funds
19 under this title in accordance with section 102(a)(1)(B)
20 and meets the requirements of section 102(a)(5) shall not
21 be required to meet any other requirements of this title.
22 For purposes of this title, such an institution, program,
23 or course shall be deemed to be an eligible institution that
24 meets the requirements of section 487.”.

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