

Second, the bill takes a two-pronged approach to helping our Nation's elementary and secondary school teachers. They will be thoroughly prepared to offer the quality of instruction needed to assure that students achieve the standards we need and expect. Working at both the State level to promote system-wide reforms and at the local level to develop partnerships to enhance the quality of teacher training, the bill offers a comprehensive and systematic approach to this pressing national need. No longer will the Higher Education Act contain a collection of small, unfunded teacher training programs. Rather, the good ideas represented in these proposals—along with the many useful suggestions made by members of the committee—have been shaped into a broad approach. It is an approach which I hope will command the attention and support of Congress when we turn to the appropriations bill.

Third, the bill reflects a strong commitment to the maintenance of two viable loan programs—the guaranteed or Federal Family Education Loan Program, known as FFELP, and the Direct Loan Program. To the extent possible within budgetary constraints, the bill levels the playing field to assure the continuation of fair and healthy competition between the two programs.

Fourth, the bill takes important steps to improve the delivery of student assistance programs. In cooperation with the administration, we have developed a performance-based organization—a PBO—designed to strengthen the management of key systems with the Department of Education. A number of provisions in the legislation also pave the way toward taking advantage of efficiencies made possible through electronic processing and other technological advances.

Finally, we have made every attempt to streamline programs, including the streamlining of the act itself. This bill takes nearly 50 programs off the books—off the books—and cuts in half the number of titles in the act. We have also attempted to relieve the regulatory burden on program participants while protecting the strong and effective integrity provisions included in the 1992 reauthorization.

Perhaps one of the most difficult issues to resolve has been the change in the student loan interest rate scheduled to take effect on July 1 of this year. This has, of course, been a strong concern of the Budget Committee. This legislation adopts the proposal approved a few weeks ago by the House Committee on Education and the Workforce. For several months, Members of the House and the Senate have grappled with the issue. The dilemma has been to balance the desire to offer students the lowest possible interest rate while assuring an uninterrupted flow of loan capital so that borrowing will be possible.

All analysts have concluded that allowing the scheduled rate to go into ef-

fect will mean the demise of the FFEL program. That outcome is unacceptable, given the substantial likelihood of program disruption.

The Direct Loan Program, which now handles only 30 percent of total loan volume, simply is not in a position to pick up the slack. To do anything to interrupt the ability of our young people to participate in the FFEL program would be a disaster at this time. The solution offered by the House committee included in the bill is by no means perfect. Like Winston Churchill's comments about democracy, however, I say: This proposal is the worst possible option, except for all others.

I am extremely appreciative of the hard work which my colleagues on the committee put into the development of this bipartisan bill. The committee will be considering this measure on Wednesday, and I hope that the full Senate will have the opportunity to debate it in the near future.

Mr. President, I ask unanimous consent that a summary of the bill be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

#### HIGHER EDUCATION ACT AMENDMENTS OF 1998—SUMMARY

##### TITLE I: GENERAL PROVISIONS

Current Title I—Partnerships for Educational Excellence—is repealed, as programs authorized under the title have not been funded.

General Provisions, now included in Title XII, will be transferred to Title I.

Obsolete/unfunded sections of Title XII are repealed.

Language is added to require the Secretary to publish the expiration dates of terms of members of the National Advisory Committee on Institutional Quality and Integrity and to solicit nominations for vacancies on the Committee.

##### TITLE II: IMPROVING TEACHER QUALITY

The teacher education provisions from Title V will be moved to Title II. All unfunded programs are repealed and replaced with a comprehensive program whose purpose is to improve student achievement, to improve the quality of the current and future teaching force by improving the preparation of prospective teachers and enhancing professional development activities, and to hold institutions of higher education accountable for preparing teachers who have necessary teaching skills and are highly competent in the academic content areas in which they plan to teach, including training in the effective use of technology in the classroom. The proposal provides a "top-down" and "bottom-up" approach for improving teacher quality.

States will be eligible to compete for Teacher Quality Enhancement Grants that would be used to institute state level reforms to ensure that current and future teachers possess the necessary teaching skills and academic content knowledge in the subject areas in which they are assigned to teach.

Teacher Training Partnership Grants will be made to local partnerships comprised of academic programs and education programs at institutions of higher education, local education agencies, K-12 schools, state education agencies, Pre-K programs, non-profit

groups, businesses and teacher organizations. Partnerships will be eligible to receive a "one time only" grant to encourage reform and improvement at the local level.

The proposal includes strong accountability measures for both Enhancement and Partnership grants. Grant recipients receiving assistance under this title will continue to receive support after the second year of the grant only if they have shown that they are making substantial progress in meeting such goals as improving student achievement, increasing the passage rate of teachers for initial state licensure or certification, and increasing the classes taught in core academic subject areas.

#### TITLE III: INSTITUTIONAL DEVELOPMENT

##### Part A—Strengthening Institutions

Encourage institutions to improve their technological capacity and make effective use of technology.

Allow institutions to use up to 20% of their awards to establish or expand an endowment fund.

Require a two-year wait out period between the receipt of consecutive grants.

Authorize at \$135 million for FY 1999 and such sums as may be necessary for each of the 4 succeeding years.

##### Section 316—Hispanic serving institutions

Simplify definition of Hispanic Serving Institution.

Allow institutions to use up to 20% of their awards to establish or expand an endowment fund.

Encourage institutions to collaborate with community-based organizations on projects that seek to reduce drop-out rates, improve academic achievement and increase enrollment in Higher Education.

Repeat the funding trigger which requires that funding for Title III, Part A grants exceed \$80 million before any funds may be provided for grants under Section 316.

Authorize at \$45 million for FY 1999 and such sums as may be necessary for each of the 4 succeeding years.

##### Part B—Historically Black Colleges and Universities

Allow institutions to use up to 20% of their awards to establish or expand an endowment fund under the terms and conditions of Part C.

Authorize at \$135 million for FY 1999 and such sums as may be necessary for each of the 4 succeeding years.

##### Section 326—Professional or graduate institutions

Clarify that eligible institutions must match only those funds received in excess of \$500,000.

Provide eligible institutions with multiple eligible graduate programs the flexibility to spend Sec. 326 funds on any qualified graduate program.

Authorize at \$30 million for FY 1999 and such sums as may be necessary for each of the 4 succeeding years.

##### Part C—Endowment challenge funds for institutions eligible for assistance under part A or part B.

Authorize at \$10 million for FY 1999 and such sums as may be necessary for each of the 4 succeeding years.

##### Part E—Historically black college and university capital financing

Move from current Title VII, Part B.

Expand the definition of capital project to include administrative facilities, student centers, and student unions.

Clarify that the Secretary may sell qualified bonds guaranteed under this provision to any party that the Secretary determines offers the best terms.

Authorize at \$110,000 for FY 1999 and such sums as may be necessary for each of the 4 succeeding years.

*Part F—Minority science and engineering improvement program*

Move from current Title X, Part B.

Modify definition of science to include behavioral sciences.

Authorize at \$10 million for FY 1999 and such sums as may be necessary for each of the 4 succeeding years.

TITLE IV: STUDENT ASSISTANCE

*Part A, subpart 1—Pell grants*

Change the name of the program from Basic Education Opportunities Grants to the Federal Pell Grant program.

Allow for the Department, after allowing for a formal comment period, to institute an accurate and timely payment process replacing the mandatory 85% advance funding to institutions.

Update and increase the Federal Pell Grant maximum awards.

Eliminate the minimum step function for the minimum Pell grant by setting the Pell minimum at \$200.

Place a time limit on the period during which students may receive a Federal Pell Grant equal to 150 percent of the period normally required to complete a course of study.

Tighten provisions dealing with English as a Second Language "stand alone" programs.

*Part A, Subpart 2, Chapter 1—Early outreach, federal TRIO programs*

Increase the minimum grant level for TRIO programs so as to ensure comprehensive services remain available to students.

Permit TRIO directors to administer more than one program for disadvantaged students.

Increase authorization level to \$700 million in FY 1999 and such sums as may be necessary for each of the 4 succeeding years.

Expand authorized activities in the Talent Search Program to include activities designed to acquaint youth with careers in which individuals from disadvantaged backgrounds are under represented.

Expand authorized activities in Upward Bound to include summer work study and permit higher stipends for those Upward Bound students participating in summer work study positions.

Require the Secretary to consider the institution's efforts to provide sufficient financial assistance to meet a student's full financial need when awarding Student Support Services grants to institutions.

Reserve up to 2% of TRIO funds for Evaluation and Dissemination/Partnership grants. The new Dissemination/Partnership provision would encourage partnerships between TRIO programs and other institutions, community based organizations or both offering programs or activities serving at-risk students to provide technical assistance and disseminate program best practices.

*Part A, Subpart 2, Chapter 2—National early intervention scholarship and partnership program*

Reauthorize the program with no changes.

*Part A, Subpart 3—Federal supplemental education opportunity grants*

Increase the authorization level for the SEOG program to \$700 million for FY 1999 and such sums as may be necessary for each of the 4 succeeding years.

Eliminate the percentage reference to less than full time or independent students.

Provide institutions with the authority to carry-back and carry-forward 10% of the institution's SEOG funds.

*Part A, Subpart 4—Grants to states for state student incentives*

Adopt Senators REED and COLLINS proposal (S. 1644) strengthening the SSIG program

and renaming the program the Leveraging Educational Assistance Partnership Act (LEAP), with modifications.

*Part A, Subpart 5—Special programs for students whose families are engaged in migrant education*

Increase the authorization level for the HEP and CAMP programs to \$25 million and \$10 million in FY 1999 and such sums as may be necessary for each of the 4 succeeding years.

*Part A, Subpart 6—Robert C. Byrd honors scholarship program*

Increase the authorization level to \$45 million in FY 1999 and such sums as may be necessary for each of the 4 succeeding years.

*Part A, Subpart 7—CAMPUS*

Incorporates S.1151 with small modifications.

*Part B and D—Federal family education loan program and the William D. Ford federal direct loan program*

Require non-state designated guarantors to have capacity to respond to electronic inquiries.

Clarify that for the purpose of calculating cohort default rates loans that are successfully challenged on the basis of improper servicing will be removed from both the numerator and the denominator.

Require institutions that unsuccessfully appeal high cohort default rates and that choose to receive loans during the appeal process be held liable for loans made during the appeal process and to post surety in an amount sufficient to cover these costs.

Allow institutions with a student loan participation rate index of .0375 or lower to be exempted from sanctions related to high institutional cohort default rates.

Extend and modifies current exemption from cohort default rate sanctions enjoyed by HBCUs, HSIs, TCCCs and Navajo Community Colleges.

Reduce paperwork for institutions by only requiring them to transmit information to lenders which is needed by the lenders for originating and servicing the loan.

Eliminate 30-day disbursement delay for first time undergraduate borrowers at institutions with cohort default rates of 5% or less.

Eliminate multiple disbursement requirements for 4th and 5th year undergraduate students attending institutions with cohort default rates of 5% or fewer who will receive a loan to complete their degrees in less than one year.

Provide loan forgiveness for teachers.

Provide extended repayment terms for FFEL students with loans in excess of \$30,000.

Exempt low volume lenders from annual lender audit requirements.

Allow borrowers to request forbearance electronically.

Allow lenders to provide 60 day forbearance for requests that require additional research. Interest may not be capitalized.

Repeal requirement that states share in costs of guarantying student loans that go into default (provision never implemented as a result of technical problems).

Allow Secretary to specify additional factors that may be considered in determining PLUS loan eligibility.

Allow Secretary to verify immigration status and social security number of PLUS loan applicants.

Exclude borrowers from whom involuntary payments are secured through litigation or administrative wage garnishment from eligibility for consolidating defaulted loans.

Eliminate 180-day rule for packaging of consolidation loans.

Encourage the development and use, free of charge to borrowers, of electronic applica-

tions and forms that are approved by the Secretary.

Authorize the Secretary to develop and implement a multi-year promissory note for Parts B & D.

Allow guaranty agencies and lenders to provide required disclosures electronically at the request of the borrower.

Clarify that the representative sample of loan servicing and collection records that will be made available to a school that is appealing its cohort default rate based upon allegations of improper loan servicing will be those that the guaranty agency used in making the determination whether to pay an insurance claim to the lender.

Repeal D.C. Student Loan Insurance Program—currently served by ASA.

Clarify the responsibility of program participants for the program compliance of their contractors.

Repeal requirement that an authority using tax-exempt funding submit a plan for doing business.

Allow the Secretary to pay for data that the Department considers essential to the efficient administration of the programs under Title IV.

Authorize the Secretary to allow borrowers under Parts B and D to use the FAFSA as their loan application.

Allow institutions to use electronic technology to provide personalized exit counseling to students.

Clarify that for purposes of calculating the FFEL program in-school interest subsidy that disbursement means disbursement by the school.

Clarify the loan limits available to borrowers who are eligible for FFEL and DL loans while taking non-degree course work necessary for enrollment or teacher certification.

Delete obsolete language referring to the 7-month interval of eligibility carried over from SLS program and clarify that annual loan limits are based on the statutorily defined academic year.

Clarify that interest that accrues and is capitalized on unsubsidized loans is not considered for purposes of computing aggregate loan limits.

Repeal payment to guaranty agencies for lender referral services.

Allow institutions to participate in one or more programs under Part B or Part D.

Recall \$200 million in guaranty agency reserve funds.

Clarify that reserve funds are the sole property of the Federal government.

Eliminate preclaims and supplemental preclaims assistance and replace with a new default aversion program. GA's will be reimbursed only for those accounts which are brought current.

Restructure GA reimbursement to more accurately reflect cost structure. Eliminate the administrative expense allowance and replace with a loan origination fee and a portfolio maintenance fee.

Encourage greater emphasis upon default aversion by reducing reinsurance from 98% to 95% and by reducing the GA collection retention amount from 27% to 24%.

Authorize the Secretary to enter into voluntary flexible agreements with guaranty agencies in lieu of their agreements under section 428 (b) and (c).

Require the Secretary to report to Congress on the status of efforts to bring mission critical systems into Y2K compliance.

Direct the Secretary of Treasury to conduct a study, in consultation with institutions of higher education, lenders, students, and other participants in the student loan programs, of the impact and feasibility of

using market-based mechanisms to establish interest rates on student loans.

Authorize the Secretary to verify the incomes of the parents of dependent applicants with the IRS.

Establish the student loan interest rate 91-day T plus 1.7% in school and 91-day T plus 2.3% in repayment. Establish the rate paid to lenders at 91-day T plus 2.2% in-school and 91-day T plus 2.8% in repayment.

*Part C—Federal work-study programs*

Increase the authorization level for the Federal Work Study Program to \$900 million in FY 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years.

Maintain provisions allowing for graduate student participation in FWS in position that reinforces the educational program or vocational goals of the student.

Expand the definition of community service to allow for certain types of on-campus jobs to count as community service jobs.

Eliminate the percentage reference to less than full time or independent students.

Allow for a higher federal contribution for community service jobs.

Delete the requirement that FWS-equivalent institutional employment be available to all students desiring such employment.

*Part D—(See Parts B and D summary above)*

*Part E—Federal Perkins loans*

Eliminate the percentage reference to less than full time or independent students.

Increase loan limits in Perkins and eliminate the Expanding Lending Option program.

Allow higher loan limits for student pursuing an education and career in teaching.

Strengthen the penalties for high default in the Perkins program including the loss of eligibility to participate (defined as the liquidation of the institution's Perkins fund) in Perkins for institutions with default rates of 50 percent or greater for 3 years in a row.

Eliminate the requirement that institutions establish a default management plan if its defaults are 15 percent or above.

Eliminate the exclusion of improperly serviced loans from the calculation of cohort default rates.

Define default for a borrower in the Perkins loan program.

Establish a loan rehabilitation program for the Perkins loan program.

Require credit bureaus to report defaulted Perkins loans until a loan is repaid in full and allow the Secretary to establish criteria under which an institution may cease reporting such information before a loan is paid in full.

Include discharge provisions in cases where an institution has closed.

Strengthen the language that includes Perkins loans in the Student Status Confirmation Report process.

Create an incentive repayment plan in the Perkins loan program.

Update dates for the mandatory liquidation of Perkins loans funds.

*Part F—Need analysis*

Adopt increases in the income protection allowances (IPA) for dependent and independent students.

Index IPA changes for inflation.

Add a dependent student offset in the amount of the negative adjusted parental income available.

Move authority to reduce or deny loans to section entitled "Discretion of Student Financial Aid Administrators."

Remove the requirement that Cost of Attendance include a cost of living minimum amount for all populations.

Prorate student contributions for periods of enrollments of less than 9 months.

*Part G—General provisions*

Require the Department, to the extent feasible, to publish minimal software and hard-

ware requirements by December 1 prior to the start of an award year.

Move from December 1 to November 1 the deadline by which the Secretary must publish regulations affecting federal student assistance programs in order for those regulations to be applicable to the following award year and authorize the Secretary to designate regulatory provisions that institutions may choose to implement before the effective date which would otherwise apply.

Remove the reference to accrediting agency approved refund policies from the list of policies to be compared to determine which produces the largest amount.

Revise methods for determining the "last day of attendance" for purposes of making pro-rata refund calculations.

Clarify that institutions may provide students and prospective students with a list of information and a statement of the procedures required to obtain it in order to comply with information dissemination requirements.

Define "prospective student" as one who has requested information regarding application for admission to an institution.

Clarify that the provision of comparable data by a national collegiate athletic association satisfies the disclosure requirement regarding athletically related student aid.

Eliminate duplicative athletic reporting provisions.

Add a provision to athletic reporting provisions regarding disclosure when institutions intend to reduce the number of athletes who will be permitted to participate in any collegiate sport or in the financial resources that the institution will make available to that sport.

Revise and expand the list of crimes that must be included in campus crime statistics to include arson and hate crimes; require institutions to maintain a daily log that records the nature, date, time and general location of each crime reported to the local police or campus security; make explicit that neither victims nor persons accused of a crime may be identified in the reporting of campus crime statistics, except as required by state or local laws; require a national study to examine procedures undertaken after an institution of higher education receives a report of sexual assault; and exclude criminal activities from a post-secondary student's educational records.

Section 486, "Training in Financial Aid Services" is repealed, as it has not been funded.

Require the National Center for Education Statistics (NCES) to develop standard definitions for a few basic financial items to help families make decisions about college; require institutions to report these items annually; and make the information available to the public. In addition, NCES would work in consultation with the Bureau of Labor Statistics to examine expenditures at institutions of higher education and to develop a "Higher Education Market Basket."

Clarify that only for-profit institutions have "owners."

Reauthorize the Advisory Committee on Student Financial Assistance at a funding level of \$800,000 and direct the committee to conduct studies and evaluations of the modernization of student financial aid systems and delivery processes; the use of appropriate technology in delivery and management of student aid; the implications of distance learning on student financial aid eligibility and other requirements. In addition, the committee is to make recommendations to the Secretary regarding redundant or outdated sections of the Act and regulation to assist in the review of those sections.

Expand the categories of activities for which institutions participating in the Qual-

ity Assurance Program develop their own management approaches and clarify that the Secretary may waive regulatory—but not statutory—requirements of Title IV that are addressed by the institution's alternative management system.

Require the Secretary to report to Congress regarding the results of experiments conducted under the current experimental sites authority and make recommendations based on those findings regarding amendments to the Higher Education Act which would improve the operation of the Act. Addition of new experiments will not be permitted until this report is provided to Congress.

Continue negotiated rulemaking and add Part D to the parts (B, G, & H) which were subject to negotiated rulemaking following the 1992 reauthorization. In addition, negotiated rulemaking would be a requirement for developing all regulations for student loan programs.

*Part H, Subpart 1—Program integrity triad, state role*

State Postsecondary Review Entity (SPRE) provisions are repealed.

Replace SPRE with language which defines State responsibilities as being licensure and notification to the Secretary of revocation of license or evidence of institutional fraud. Require institutions to prove they have authority to operate in a state.

*Part H, Subpart 2—Accrediting agency recognition*

Substitute the word "recognition" for "approval" each time it appears in Subpart 2. Substitute "criteria" for "standards," consistent with current regulations.

Modify provisions relating to accrediting agency assessment of institutions to delete "in clock hours or credit hours" relating to measure of program length and to clarify that accrediting agencies are not expected to enforce compliance with Title IV.

Strengthen statutory requirements relating to the time frame within which an accrediting agency must come into compliance after the Secretary has determined the agency has not met the requirements of Section 496.

*Part H, Subpart 3—Eligibility and certification procedures*

Require that an institution maintain a copy of any contract between the institution and a financial aid service provider or loan services, and provide a copy of any such contract to the Secretary upon request, instead of requiring that the institution supply the copy with its application to participate in the student aid programs under Title IV (as is currently the case).

Substitute more general language for the specific listing of financial responsibility measures now included in the Act in order to conform with current financial responsibility regulations.

Specify that the Secretary may accept any reasonable third-party financial guarantees in cases where an institution fails to meet overall financial responsibility standards.

Specify that "ownership" applies only to for-profit institutions.

Eliminate the requirement that the Department conduct site visits of all institutions and eliminate the ability of the Department to charge fees to cover the expenses of certification and site visits.

Give the Secretary the authority to recertify an institution for up to 6 years (rather than the 4 years in current law) and require the Secretary to inform institutions 6 months in advance of the expiration of its eligibility.

Establish a special rule dealing with the recertification schedule for institutions of

higher education located outside of the United States which receive less than \$500,000 annually in Federal Family Education Loans.

Clarify that, prior to seeking certification as a main campus or free-standing institution, a branch is required to be in existence for at least 2 years after it has been certified by the Secretary as a branch campus participating in a Title IV program.

Require the Secretary to establish priorities for program reviews of institutions of higher education, update priority criteria, and include among the additional categories of institutions which the Secretary may identify as requiring priority review those which may pose significant risk of failure to comply with the administrative or financial responsibility provisions of Title IV.

Add special administrative rules to: (1) require the Secretary to inform institutions of the criteria involved in program reviews; (2) require the Secretary to implement a system of "cures" to allow institutions to correct minor record-keeping errors; (3) require "proportionality" in civil penalties; and (4) facilitate the exchange of information between the Secretary and state authorizing agencies and creditors.

Require the Secretary to establish processes for ensuring that eligibility and compliance issues are considered simultaneously and for identifying unnecessary duplication of reporting and related regulatory requirements.

#### *Part I—Performance based organization*

Establish a performance based organization within the Department of Education for the purpose of simplifying and improving the delivery of student financial aid under this title. The Secretary of Education will be provided with personnel and procurement flexibilities in order to allow for the establishment of an organization rewarded for meeting specified contractual goals for the management and delivery of student financial aid. Personnel will be rewarded in accordance with their ability to meet objective performance measures. Proposed personnel and procurement flexibilities include: alternative job evaluation systems, ability to establish award programs, broad banding, alternative ranking procedures for evaluating job applicants, ability to hire technical and professional employees under excepted service, simplified contracting procedures for commercial items, modular contracting authority, and two-way selection procedures.

#### TITLE V: GRADUATE AND POSTSECONDARY EDUCATION IMPROVEMENT

##### *Parts A and B—Jacob K. Javits fellowship program and graduate assistance in areas of national need*

Repeal unfunded programs.

Maintain separate Jacob K. Javits Fellowship Program, permit forward funding of it, and permit the Secretary to contract out administration of the program if such a contract would be more effective and efficient.

Limit eligibility to students who demonstrate financial need.

Add an evaluation component.

Maintain the Graduate Assistance in Areas of National Need (GAANN) program, with minor amendments.

Authorize the Jacob K. Javits Fellowships at \$30 million in FY 1999 and such sums as may be necessary for each of the 4 succeeding years.

Authorize Graduate Assistance in Areas of National Need (GAANN) at \$30 million in FY 1999 and such sums as may be necessary for each of the 4 succeeding years.

##### *Part C—Urban community service*

Move from current Title XI, Part A.

Give priority to applicants which have shown prior commitment to urban community service.

Authorize at \$20 million in FY 1999 and such sums as may be necessary for each of the 4 succeeding years.

##### *Part D—Fund for the improvement of post-secondary education (FIPSE)*

Move from current Title X, Part A.

Permit greater flexibility within current personnel ceilings to bring in technical experts.

Revise special projects list to include: international exchanges; institutional restructuring to improve learning and promote cost efficiencies; evaluation and dissemination of model programs; and articulation between two-year and four-year institutions, including developing innovative methods for ensuring the successful transfer of students from 2-year to 4-year institutions.

Authorization:

FIPSE General: \$26 million in FY 99 and "such sums" in 4 succeeding years.

Planning Grants: \$1 million in FY 99 and "such sums" in 4 succeeding years. Special Projects: \$5 million in FY 99 and "such sums" in 4 succeeding years.

##### *Part F—Improving Access to Higher Education for Students with Disabilities*

This program authorizes a competitive grant program to provide assistance for improving disability support services offered by institutions of higher education. Grants would be awarded for a period of three years. \$10 million are authorized to be appropriated for this part in FY 1999 and such sums as may be necessary in each of the 4 succeeding years.

Funds would be available to institutions of higher education to develop and identify effective approaches that enable individuals with disabilities to participate in post-secondary education, conduct training sessions and workshops for faculty and other personnel of institutions of higher education to help them meet the special needs of post-secondary students with disabilities, research the effectiveness of support services to individuals with disabilities in post-secondary education, prepare products from the project and disseminate those products, and coordinate projects with existing technical assistance and dissemination networks in postsecondary education.

#### TITLE VI: INTERNATIONAL EDUCATION

Repeal unfunded/obsolete provisions.

Add a foreign language component to the summer institutes authorized under Sections 602 (Graduate and Undergraduate Language and Area Centers), 604 (Undergraduate International Studies and Foreign Language Programs), and 612 (Centers for International Business Education).

Modify Section 603 (Language Resource Centers) to permit the operation of intensive summer language institutes, to permit the development and dissemination of resource materials for elementary and secondary school language teachers, and to make dissemination a component of each Center activity.

Consolidate provisions and streamline Section 604 (Undergraduate International Studies and Foreign Language Programs).

Add two new authorized activities to Section 606 (Research; Studies) dealing with evaluation of programs receiving assistance under Title VI and of effective dissemination practices.

Clarify that the establishment of new American Overseas Research Centers is allowable under Section 610.

Specifically mention that community college representatives may serve on the advisory council to Centers for International Business Education.

Increase required match by Minority Foreign Service Professional Development Pro-

gram grant recipients from one-fourth to one-half, with the non-federal contribution being made by private sector contributions.

Authorize the Institute for International Public Policy to make sub-grants to strengthen institutional international affairs programs at HBCUs, HSIs, and Tribal Colleges.

Clarify that summer abroad programs are permissible under the Junior Year Abroad Program (Section 623).

Authorization Levels:

Part A: \$80 million in FY 1999 and "such sums" in succeeding 4 years.

Part B:

Section 612: \$11 million in FY 1999 and "such sums" in succeeding 4 years.

Section 613: \$ 7 million in FY 1999 and "such sums" in succeeding 4 years.

Part C: \$10 million in FY 1999 and "such sums" in succeeding 4 years.

#### TITLE VII: RELATED PROGRAMS AND AMENDMENTS TO OTHER LAWS

##### *Part A—Indian higher education programs*

Change reference to "Tribeally-Controlled Community College" to "Tribeally Controlled College or University" and make conforming and technical changes.

Authorization Level (Department of the Interior):

Technical Assistance Centers \$3.2 million in FY 1999 and "such sums."

Grants to TCCCs \$40.0 million in FY 1999 and "such sums."

Renovation/Construction of Facilities \$10.0 million in FY 1999 and "such sums."

TCCC Endowment Program \$10.0 million in FY 1999 and "such sums."

Tribal Economic Development \$2.0 million in FY 1999 and "such sums."

##### *Part B—Advanced placement fee payment program*

Move from current Title XV, Part G.

Modify program to encourage States to support advanced placement teacher training and related activities designed to increase the participation of low-income individuals and to permit up to 5% of funds to disseminate information about the availability of test fee payments.

Authorize at \$10 million in FY 1999 and such sums as may be necessary for each of the 4 succeeding years.

##### *Part C—Amendments to institute for peace act*

Technical changes.

##### *Part D—Community scholarship mobilization*

Authorize a competitive grant program which will allow the grant recipient, using the interest from an endowment grant, to establish and support state or regional program centers to foster the development of local affiliated chapters in high poverty areas that promote higher education goals for students from low income families by providing academic support and scholarship assistance.

Seventy percent of interest income would support the establishment or ongoing work of state or regional program centers to enable such centers to work with local communities to establish local affiliated chapters in high poverty areas and provide ongoing assistance, training workshops, and other activities to ensure the success of local chapters.

Thirty percent of the interest income would be used to provide scholarships for students from low income families, and scholarships would be matched 1:1 from funds raised by the local community.

The proposal provides and authorizes the appropriation of \$10 million for fiscal year 2000 to carry out the purposes of this part.

##### *Part E—Incarcerated youth offenders*

Move from current Title X, Part E.

Authorized at \$14 million in FY 1999 such sums as may be necessary for each of the 4 succeeding years.

*Part F—Amendments to Education of the Deaf Act*

Update references to IDEA. Includes technical and conforming amendments to make the provisions pertaining to Gallaudet's Kendall Elementary School and the Model Secondary School for the Deaf consistent with the 1997 IDEA.

Extension of authorization of appropriations. Extends authorization of appropriations from fiscal year 1998 through fiscal year 2003.

Clarification of audit requirements. Clarifies that audits include the national mission and school operations of the elementary and secondary education programs at Gallaudet University; and adds a requirement that a copy of each audit be provided to the Secretary within 15 days of the acceptance of the audit by Gallaudet University or the institution authorized to establish and operate the National Technical Institute for the Deaf.

Removal of restrictions on investment of non-Federal portion of endowment. Allows institutions to invest the non-Federal share of their endowments without the restrictions placed on Federal contributions to the endowments.

Immediate access to interest on endowment. Provides immediate access to the interest on their endowments, rather than as under current law, having access to only 50 percent of the interest from the prior year.

Limitation with regard to international student enrollment. Requires that, in any school year, no qualified U.S. citizen, who elects to enroll in Gallaudet University or the National Technical Institute for the Deaf, is denied admission because of the admission of an international student.

Institutional Research Plans. Requires Gallaudet University and the National Technical Institute for the Deaf establish and disseminate priorities and prepare and submit an annual research report to the Secretary and Congress.

Commission on education of the deaf. Requires the Secretary of Education to establish a Commission on Education of the Deaf to identify those education-related factors in the lives of individuals who are deaf that result in barriers to successful postsecondary education experiences and employment and those education-related factors in the lives of individuals who are deaf that contribute to successful postsecondary education and employment experiences.

*Part G—Repeals*

TITLE I—PARTNERSHIPS FOR EDUCATIONAL EXCELLENCE

PART A—School, College, and University Partnerships.

PART B—Articulation Agreements.

PART C—Access and Equity to Education for All Americans Through Telecommunications.

TITLE II—ACADEMIC LIBRARIES AND INFORMATION SERVICES

\*Title II was repealed by P.L. 104-208 (FY 1997 Department of Education Appropriations Act).

TITLE IV—STUDENT ASSISTANCE

PART A—Grants to Students in Attendance at Institutions of Higher Education.

Chapter 3—Presidential Access Scholarships.

Chapter 4—Model Program Community Partnership and Counseling Grants.

Chapter 5—Public Information/Database and Information Line.

Chapter 6—National Student Savings Demonstration Program.

Chapter 7—Preeligibility Form.

Chapter 8—Technical Assistance for Teachers and Counselors.

Subpart 8—Special Child Care Services for Disadvantaged College Students.

PART H—Program Integrity Triad.

Subpart 1—State Postsecondary Review Program (SPRE).

TITLE V—EDUCATOR RECRUITMENT, RETENTION, AND DEVELOPMENT

PART A—State and Local Programs for Teacher Excellence.

PART B—National Teacher Academies.

PART C—Teacher Scholarships and Fellowships.

Subpart 1—Paul Douglas Teacher Scholarships.

Subpart 2—Christa McAuliffe Fellowship Program.

Subpart 3—Teacher Corps

PART D—Innovation and Research.

Subpart 1—National Board for Professional Teaching Standards.

Subpart 3—Class Size Demonstration Grant.

Subpart 4—Middle School Teaching Demonstration Programs.

PART E—Minority Teacher Recruitment.

Subpart 1—New Teaching Careers.

PART F—Programs for Special Populations.

Subpart 1—National Mini Corps Program.

Subpart 2—Foreign Language Instruction.

Section 586—Demonstration Grants for Critical Language and Area Studies.

Section 587—Development of Foreign Language and Culture Instructional Materials.

Subpart 3—Small State Teaching Initiatives.

Subpart 4—Faculty Development Grants.

Subpart 5—Early Childhood Education Training.

TITLE VI—INTERNATIONAL EDUCATION PROGRAMS

Section 604(b)—Programs of Demonstrated Excellence in Area Studies, Foreign Languages, and other International Fields.

Section 605—Intensive Summer Language Institutes.

Section 607—Periodicals and Other Research Materials Published Outside the United States.

TITLE VII—CONSTRUCTION, RECONSTRUCTION, AND RENOVATION OF ACADEMIC FACILITIES

PART A—Improvement of Academic and Library Facilities.

PART D—College Construction Loan Insurance Association.

*\*The cooperation has since been privatized.*

TITLE VIII—COOPERATIVE EDUCATION

No funding for this title.

TITLE IX—GRADUATE PROGRAMS

PART A—Grants to Institutions and Consortia To Encourage Women and Minority Participation in Graduate Education.

PART B—Patricia Roberts Harris Fellowship Program.

PART E—Faculty Development Fellowship Program.

PART F—Assistance for Training in the Legal Profession.

PART G—Law School Clinical Experience.

TITLE X—POSTSECONDARY IMPROVEMENT PROGRAMS

PART B—Minority Science and Engineering Improvement Programs.

Subpart 2—Science and Engineering Access Programs.

PART C—Women and Minorities Science and Engineering Outreach Demonstration Program.

PART D—Dwight D. Eisenhower Leadership Program.

TITLE XI—COMMUNITY SERVICE PROGRAMS

PART B—Innovative Projects.

Subpart 1—Innovative Project for Community Service.

Subpart 2—Student Literacy Corps and Student Mentoring Corps.

Mr. KENNEDY. Mr. President, it is an honor to be a sponsor of the Higher Education Act Amendments of 1998 with Chairman JEFFORDS and Senators COATS and DODD. The reauthorization of this Act is a bipartisan effort of all members of the Labor Committee, and I am pleased that we have achieved a consensus on so many issues.

Our goal in this bill is to strengthen federal support for higher education. Our legislation increases the maximum authorization for Pell grants, and expands the formula for need analysis to protect more of the income of working parents and students.

The bill also continues the critical investment in graduate education through the institution-based program of Graduate Assistance in Areas of National Need, as well as the portable Javits Fellowships, which are vital for talented students in the arts, humanities, and social sciences, where other sources of funding are limited.

An additional initiative in the bill will enable institutions to work with faculty and administrators to improve teaching for students with disabilities. Increasing numbers of students with disabilities are participating in higher education, and faculty members often have little experience in adapting their teaching techniques for these students. This initiative will reach out to many different types of institutions, including community colleges, graduate schools, and urban and rural institutions. It also includes graduate teaching assistants—the faculty of the future. This program was first suggested by the University of Massachusetts, and it is supported by the Consortium for Citizens with Disabilities on behalf of 20 disability groups.

The bill takes a major step to improve the training of teachers by creating strong programs for training and recruitment. The training program has two parts. Fifty percent goes to local partnerships that include elementary and secondary schools, programs or schools of teacher training, schools of arts and sciences, and other groups, such as teachers unions, businesses, and community organizations. The other 50 percent of the funding goes to competitive grants to state education agencies. This teacher training proposal represents a thoughtful compromise, and I hope it will receive strong support in the Senate.

The bill helps teachers in another way, through loan forgiveness. I have long supported more loan forgiveness for teachers, and I am pleased that there is bipartisan support for this proposal. It forgives loans for teachers who teach for at least 3 years in high-need schools. Many college graduates with heavy debt loads cannot afford to go into teaching in schools where we need them most. This loan forgiveness program will make it easier for idealistic young men and women to work with needy children.

The bill also calls for the creation of a Performance Based Organization at the Department of Education. Following Vice President GORE's initiative to re-invent government, this organization will streamline and improve the financial aid functions at the Department. We are working with the Department to make a plan that will work well for it, for students, and for all others involved in student aid.

Two provisions of the bill raise significant question. One of those provisions modifies the payment structure for the guaranty agencies that work with banks in the student loan program. But greater reform of these agencies is needed. They are paid too much if students go into default, and they are not paid enough for preventing defaults in the first place. I am pleased, however, that the bill does allow guaranty agencies to enter into voluntary, flexible agreements with the Secretary of Education that will be more business-like and will focus more heavily on preventing defaults. ASA, the guaranty agency in Massachusetts, has been at the forefront of the reform movement, and supports these voluntary agreements.

Finally, the bill, like the House bill, reduces the interest rate that students pay on their college loans by almost 1% from the current rate. This reduction will be a substantial benefit for students. The average borrower with a loan of \$12,000 will save \$650 in interest over the life of the loan, and the average master's degree student with a debt of \$20,000 will save more than \$1000. For borrowers with larger loans, the savings will be greater. I am pleased that Republicans and Democrats agree that reducing the interest rate on student loans is necessary.

But the bill trims the rates paid to banks only slightly. As under the House bill, students will pay less interest to the banks, but the federal government will make an additional payment to the banks, so that bank receipts will go down only slightly from the high rates now in effect. This subsidy is paid by the taxpayers. The cost is at least \$1.2 billion over 5 years, and may be as high as \$3.9 billion.

The banks complain that they cannot live with even this very modest cut. In 1992, they told us that they could not accept any cut in the interest rate on student loans. Congress cut the rate anyway, and the bank loan program continued to thrive. Today, however, at a time when interest rates in the economy are low, the interest rate for government guaranteed student loans is higher than the rate for either car loans or home mortgages. A recent report from the Treasury Department shows that if the interest rate on student loans is cut by almost 1%, the banks can still make a reasonable profit.

The interest rate subsidy in this bill is not offset by other revenues. We will have to work with the Budget Committee, with our colleagues in the House,

and with the Administration to resolve this problem. We must do all we can to reduce the high cost of borrowing for students, without subsidizing banks at the expense of taxpayers.

This legislation is designed to improve higher education in all parts of America. It renews our commitment to needy students, to graduate education, to teacher training, and to improving loan service for students. I look forward to working with my colleagues on this important legislation in the weeks to come.

Mr. DODD. Mr. President, I rise today to join my colleagues, Senator JEFFORDS, Senator KENNEDY, and Senator COATS, in introducing the Higher Education Act Amendments of 1998.

The Higher Education Act is the foundation of opportunity and access to post-secondary education. Pell Grants, College Work Study, federal student loans and federal TRIO programs are what make college possible for the all Americans. The bill we introduce today makes important changes in these programs and updates and streamlines the law to ensure the vitality of federal aid programs in the next millennium.

There are few pieces of legislation that we will consider this Congress that are as important to American families as this bill. Parents recognize that their child's success is in no small measure dependent on their educational achievement. Statistics bear this out—a person with a Bachelor's degree earns twice as much as one with just a high school education.

But this issue is not only of concern to families; higher education has defined and shaped America's economy in the post World War II era. Our economy has grown on the strength of knowledge-based, highly-skilled industries and workers. This would not have been possible without higher education or without our federal commitment to ensuring access to college.

Since the GI Bill, millions of Americans have been able to attend college because of the assistance offered by the Federal Government. Today, 75 percent of all student aid is federal.

And yet, with rising college costs and growing student debt, families increasingly worry that college is slipping beyond their grasp. Studies suggest that, even with the nearly \$35 billion of federal aid available each year, affordability is already becoming a factor for those at the lowest income levels.

And in nearly all families, a letter offering financial aid is as, if not more, important than the actual letter accepting the student into a college of his or her choice. This bill works to make sure that the serious problem of rising college costs does not become more of a reality for America's families and reaches out to those who already believe that college is slipping beyond their reach.

In particular, we have adopted many of the recommendations of the Cost of College Commission, formed by the

Congress last year. We streamlined many regulatory requirements that may contribute to rising costs. We also adopted strong new disclosure requirements about cost. These provisions will provide families with new, reliable and comparable information on college costs, so they can exercise their power as consumers to choose institutions that are of high quality and reasonable cost.

This legislation also strengthens federal financial aid programs which are a lifeline for millions of families as they struggle with cost increases. We authorize an increase in the maximum Pell Grant award and hope that appropriators and our Budget Resolution will follow through with adequate funds. We also adjust the treatment of the neediest students' earnings to ensure that they and their families are not penalized in the award of aid because the student works, as I recommended in earlier legislation. We also expand campus-based aid programs, like College Work Study and low-cost Perkins Loans, to reach more students. We improve the federal student loans programs by providing extended repayment for students with large balances and by giving colleges more tools to help their students avoid expensive loans.

Students are also guaranteed a substantially lower student loan interest rate. As many members are aware, the issue of the student loan interest rate has been the most controversial and closely followed issue in this bill. I am very pleased that the solution we put forward today ensures that students will receive the long-term benefit of substantially lower rates. However, I am disappointed that this bill expects taxpayers to foot this bill with a new subsidy to banks. This new entitlement to banks is also costly and raises serious budget concerns on our bill. I am hopeful that we can continue to work on this issue with the majority, the Budget Committee and the Administration to reach a better solution for taxpayers than the one proposed today.

This legislation also includes new authority for the Secretary to explore the potential of distance education and learning. In the past, distance education too often meant correspondence courses with little merit and high cost. Today, the Internet, the World Wide Web, and other emerging technologies offer new opportunities for quality, interactive learning right from a student's home. However, current law provides little opportunity for institutions and their students to explore these exciting opportunities. The bill we introduce today directs the Secretary to undertake and carefully monitor a demonstration program in distance education.

The bill also includes another important initiative to increase access to post-secondary education—the Child Care Access Means Parents in School Act, which Senator SNOWE and I introduced last year. This bill will support

campus-based child care centers meeting the needs of low income students. As the non-traditional student population grows, one of the major obstacles facing students who are parents is locating affordable, quality child care. Campuses are a key place to meet this need. In my home state of Connecticut, all of our community-technical colleges have campus-based child care facilities. The centers provide student-parents with convenient, high quality care and also serve as laboratories for training new child care providers.

Colleges are also our nation's laboratories for training teachers. This bill offers significant new support in this area. The committee has worked hard with its members and developed a comprehensive teacher training program that supports state-level initiatives and local partnerships. This two-track approach will ensure that colleges and schools who work together to improve teacher training will be rewarded at the state level with recognition for achieving higher standards. In another important initiative, this bill also offers teachers working in high poverty schools with loan forgiveness. This effort will provide highly qualified teachers with a powerful incentive to share their talents, skills and knowledge with the neediest children.

Beyond bringing student aid programs in line with today's realities, we also take a key step to modernize and improve the delivery of these crucial student aid programs in the creation of the Performance-Based Organization within the Department of Education. The PBO will administer and deliver all federal student aid. At nearly \$35 billion a year, the complexity of this undertaking demands talent, energy, experience, and performance. A PBO will ensure that the Secretary can recruit the best people to this job and retain them based on their performance.

Mr. President, this is a strong and comprehensive bill. But perhaps most importantly for its future, it is a bipartisan bill. I was pleased to be a part of the effort of our chairman, Senator JEFFORDS, Senator KENNEDY, and Senator COATS in pulling this bill together. It may not be everything any one of us wanted; however, it is what America's students and their families need.

#### ADDITIONAL COSPONSORS

S. 328

At the request of Mr. HUTCHINSON, the name of the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 328, a bill to amend the National Labor Relations Act to protect employer rights, and for other purposes.

S. 755

At the request of Mr. CAMPBELL, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 755, a bill to amend title 10, United States Code, to restore the provisions of chapter 76 of that title

(relating to missing persons) as in effect before the amendments made by the National Defense Authorization Act for Fiscal Year 1997 and to make other improvements to that chapter.

S. 1192

At the request of Ms. SNOWE, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 1192, a bill to limit the size of vessels permitted to fish for Atlantic mackerel or herring, to the size permitted under the appropriate fishery management plan.

S. 1221

At the request of Mr. STEVENS, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 1221, a bill to amend title 46 of the United States Code to prevent foreign ownership and control of United States flag vessels employed in the fisheries in the navigable waters and exclusive economic zone of the United States, to prevent the issuance of fishery endorsements to certain vessels, and for other purposes.

S. 1260

At the request of Mr. MCCAIN, his name was withdrawn as a cosponsor of S. 1260, a bill to amend the Securities Act of 1933 and the Securities Exchange Act of 1934 to limit the conduct of securities class actions under State law, and for other purposes.

S. 1325

At the request of Mr. FRIST, the names of the Senator from New Mexico (Mr. BINGAMAN), and the Senator from New York (Mr. MOYNIHAN) were added as cosponsors of S. 1325, a bill to authorize appropriations for the Technology Administration of the Department of Commerce for fiscal years 1998 and 1999, and for other purposes.

S. 1334

At the request of Mr. BOND, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 1334, a bill to amend title 10, United States Code, to establish a demonstration project to evaluate the feasibility of using the Federal Employees Health Benefits program to ensure the availability of adequate health care for Medicare-eligible beneficiaries under the military health care system.

S. 1534

At the request of Mr. TORRICELLI, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 1534, a bill to amend the Higher Education Act of 1965 to delay the commencement of the student loan repayment period for certain students called to active duty in the Armed Forces.

S. 1536

At the request of Mr. TORRICELLI, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 1536, a bill to amend the Public Health Service Act and Employee Retirement Income Security Act of 1974 to require that group and individual health insurance coverage and group health plans provide coverage for

qualified individuals for bone mass measurement (bone density testing) to prevent fractures associated with osteoporosis and to help women make informed choices about their reproductive and post-menopausal health care, and to otherwise provide for research and information concerning osteoporosis and other related bone diseases.

S. 1584

At the request of Mr. FRIST, the name of the Senator from Mississippi (Mr. LOTT) was added as a cosponsor of S. 1584, a bill to direct the Administrator of the Federal Aviation Administration to reevaluate the equipment in medical kits carried on, and to make a decision regarding requiring automatic external defibrillators to be carried on, aircraft operated by air carriers, and for other purposes.

S. 1677

At the request of Mr. CHAFEE, the names of the Senator from Michigan (Mr. ABRAHAM), and the Senator from Utah (Mr. HATCH) were added as cosponsors of S. 1677, a bill to reauthorize the North American Wetlands Conservation Act and the Partnerships for Wildlife Act.

S. 1680

At the request of Mr. DORGAN, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 1680, a bill to amend title XVIII of the Social Security Act to clarify that licensed pharmacists are not subject to the surety bond requirements under the Medicare program.

S. 1764

At the request of Mr. THURMOND, the names of the Senator from Colorado (Mr. ALLARD) and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. 1764, a bill to amend sections 3345 through 3349 of title 5, United States Code (commonly referred to as the "Vacancies Act") to clarify statutory requirements relating to vacancies in certain Federal offices, and for other purposes.

S. 1868

At the request of Mr. NICKLES, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 1868, a bill to express United States foreign policy with respect to, and to strengthen United States advocacy on behalf of, individuals persecuted for their faith worldwide; to authorize United States actions in response to religious persecution worldwide; to establish an Ambassador at Large on International Religious Freedom within the Department of State, a Commission on International Religious Persecution, and a Special Adviser on International Religious Freedom within the National Security Council; and for other purposes.

S. 1873

At the request of Mr. COCHRAN, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 1873, a bill to state the policy of the