

7. AN AMENDMENT IN THE NATURE OF A SUBSTITUTE TO BE OFFERED BY REPRESENTATIVE GEORGE MILLER OF CALIFORNIA, OR HIS DESIGNEE, TO BE DEBATABLE FOR 30 MINUTES:

90

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO THE RULES COMMITTEE PRINT OF MARCH
22, 2006**

**OFFERED BY MR. GEORGE MILLER OF CALI-
FORNIA, MR. KILDEE OF MICHIGAN, MR.
GRIJALVA OF ARIZONA, MR. DAVIS OF ILLI-
NOIS, AND MR. SCOTT OF VIRGINIA**

Strike all after the enacting clause and insert the
following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the "Reverse the Raid on
3 Student Aid Act of 2006".

4 SEC. 2. REFERENCES; EFFECTIVE DATE.

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

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



1 **SEC. 3. CENTERS OF EXCELLENCE.**

2 Title II (20 U.S.C. 1021 et seq.) is amended by add-
3 ing at the end the following:

4 **“PART C—CENTERS OF EXCELLENCE**

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

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

7 “(1) to help recruit and prepare teachers, in-
8 cluding minority teachers, to meet the national de-
9 mand for a highly qualified teacher in every class-
10 room; and

11 “(2) to increase opportunities for Americans of
12 all educational, ethnic, class, and geographic back-
13 grounds to become highly qualified teachers.

14 “(b) DEFINITIONS.—As used in this part:

15 “(1) ELIGIBLE INSTITUTION.—The term ‘eligi-
16 ble institution’ means—

17 “(A) an institution of higher education
18 that has a teacher preparation program that
19 meets the requirements of section 203(b)(2)
20 and that is—

21 “(i) a part B institution (as defined in
22 section 322);

23 “(ii) a Hispanic-serving institution (as
24 defined in section 502);

25 “(iii) a Tribal College or University
26 (as defined in section 316);



1 “(iv) an Alaska Native-serving institu-
2 tion (as defined in section 317(b)); or

3 “(v) a Native Hawaiian-serving insti-
4 tution (as defined in section 317(b));

5 “(B) a consortium of institutions described
6 in subparagraph (A); or

7 “(C) an institution described in subpara-
8 graph (A), or a consortium described in sub-
9 paragraph (B), in partnership with any other
10 institution of higher education, but only if the
11 center of excellence established under section
12 232 is located at an institution described in
13 subparagraph (A).

14 “(2) HIGHLY QUALIFIED.—The term ‘highly
15 qualified’ when used with respect to an individual
16 means that the individual is highly qualified as de-
17 termined under section 9101 of the Elementary and
18 Secondary Education Act of 1965 (20 U.S.C. 7801)
19 or section 602 of the Individuals with Disabilities
20 Education Act (20 U.S.C. 1401).

21 “(3) SCIENTIFICALLY BASED READING RE-
22 SEARCH.—The term ‘scientifically based reading re-
23 search’ has the meaning given such term in section
24 1208 of the Elementary and Secondary Education
25 Act of 1965 (20 U.S.C. 6368).



1 “(4) SCIENTIFICALLY BASED RESEARCH.—The
2 term ‘scientifically based research’ has the meaning
3 given such term in section 9101 of the Elementary
4 and Secondary Education Act of 1965 (20 U.S.C.
5 7801).

6 **“SEC. 232. CENTERS OF EXCELLENCE.**

7 “(a) PROGRAM AUTHORIZED.—From the amounts
8 appropriated to carry out this part, the Secretary is au-
9 thorized to award competitive grants to eligible institu-
10 tions to establish centers of excellence.

11 “(b) USE OF FUNDS.—Grants provided by the Sec-
12 retary under this part shall be used to ensure that current
13 and future teachers are highly qualified, by carrying out
14 one or more of the following activities:

15 “(1) Implementing reforms within teacher prep-
16 aration programs to ensure that such programs are
17 preparing teachers who are highly qualified, are able
18 to understand scientifically based research, and are
19 able to use advanced technology effectively in the
20 classroom, including use for instructional techniques
21 to improve student academic achievement, by—

22 “(A) retraining faculty; and

23 “(B) designing (or redesigning) teacher
24 preparation programs that—



1 “(i) prepare teachers to close student
2 achievement gaps, are based on rigorous
3 academic content, scientifically based re-
4 search (including scientifically based read-
5 ing research), and challenging State stu-
6 dent academic content standards; and

7 “(ii) promote strong teaching skills.

8 “(2) Providing sustained and high-quality
9 preservice clinical experience, including the men-
10 toring of prospective teachers by exemplary teachers,
11 substantially increasing interaction between faculty
12 at institutions of higher education and new and ex-
13 perienced teachers, principals, and other administra-
14 tors at elementary schools or secondary schools, and
15 providing support, including preparation time, for
16 such interaction.

17 “(3) Developing and implementing initiatives to
18 promote retention of highly qualified teachers and
19 principals, including minority teachers and prin-
20 cipals, including programs that provide—

21 “(A) teacher or principal mentoring from
22 exemplary teachers or principals; or

23 “(B) induction and support for teachers
24 and principals during their first 3 years of em-
25 ployment as teachers or principals, respectively.



1 “(4) Awarding scholarships based on financial
2 need to help students pay the costs of tuition, room,
3 board, and other expenses of completing a teacher
4 preparation program.

5 “(5) Disseminating information on effective
6 practices for teacher preparation and successful
7 teacher certification and licensure assessment prepa-
8 ration strategies.

9 “(6) Activities authorized under sections 202,
10 203, and 204.

11 “(c) APPLICATION.—Any eligible institution desiring
12 a grant under this section shall submit an application to
13 the Secretary at such a time, in such a manner, and ac-
14 companied by such information the Secretary may require.

15 “(d) MINIMUM GRANT AMOUNT.—The minimum
16 amount of each grant under this part shall be \$500,000.

17 “(e) LIMITATION ON ADMINISTRATIVE EXPENSES.—
18 An eligible institution that receives a grant under this part
19 may not use more than 2 percent of the grant funds for
20 purposes of administering the grant.

21 “(f) REGULATIONS.—The Secretary shall prescribe
22 such regulations as may be necessary to carry out this
23 part.



1 **“SEC. 233. AUTHORIZATION OF APPROPRIATIONS.**

2 “There are authorized to be appropriated to carry out
3 this part \$10,000,000 for fiscal year 2007 and such sums
4 as may be necessary for each of the 5 succeeding fiscal
5 years.”.

6 **SEC. 4. TITLE III GRANTS FOR AMERICAN INDIAN TRIB-**
7 **ALLY CONTROLLED COLLEGES AND UNIVER-**
8 **SITIES.**

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

12 “(b) **DEFINITIONS.**—

13 “(1) **ELIGIBLE INSTITUTIONS.**—For purposes
14 of this section, Tribal Colleges and Universities are
15 the following:

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



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

20 “(B) any other institution that meets the
21 definition of tribally controlled college or uni-
22 versity in section 2 of the Tribally Controlled
23 College or University Assistance Act of 1978,
24 and meets all other requirements of this sec-
25 tion.



1 “(2) INDIAN.—The term ‘Indian’ has the mean-
2 ing given the term in section 2 of the Tribally Con-
3 trolled College or University Assistance Act of
4 1978.”.

5 (b) DISTANCE LEARNING.—Subsection (c)(2) of such
6 section is amended—

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

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

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

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

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



1 (5) by redesignating subparagraph (L) as sub-
2 paragraph (M); and

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

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

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

10 “(d) APPLICATION AND ALLOTMENT.—

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

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

20 “(3) MINIMUM GRANT.—The amount allotted to
21 each institution under this section shall not be less
22 than \$500,000.

23 “(4) SPECIAL RULES.—

24 “(A) CONCURRENT FUNDING.—For the
25 purposes of this part, no Tribal College or Uni-



1 versity that is eligible for and receives funds
2 under this section shall concurrently receive
3 funds under other provisions of this part or
4 part B.

5 “(B) EXEMPTION.—Section 313(d) shall
6 not apply to institutions that are eligible to re-
7 ceive funds under this section.”.

8 (d) CONSTRUCTION GRANTS.—After subsection (d)
9 of section 316 (20 U.S.C. 1059c(d)), as amended by sub-
10 section (c) of this section, add the following new sub-
11 sections:

12 “(e) CONSTRUCTION GRANTS.—

13 “(1) IN GENERAL.—Of the amount appro-
14 priated to carry out this section for any fiscal year,
15 the Secretary may reserve 30 percent of such
16 amount for the purpose of awarding 1-year grants of
17 not less than \$1,000,000 to address construction,
18 maintenance, and renovation needs at eligible insti-
19 tutions.

20 “(2) PREFERENCE.—In providing grants under
21 paragraph (1), the Secretary shall give preference to
22 eligible institutions that have not yet received an
23 award under this section.

24 “(f) ALLOTMENT OF REMAINING FUNDS.—The Sec-
25 retary shall distribute any funds appropriated to carry out



1 this section for any fiscal year that remain available after
2 the Secretary has awarded grants under subsection (e),
3 to each eligible institution as follows:

4 “(1) 60 percent of the remaining appropriated
5 funds shall be distributed among the eligible Tribal
6 Colleges and Universities on a pro rata basis, based
7 on the respective Indian student counts (as defined
8 in section 2(a) of the Tribally Controlled College or
9 University Assistance Act of 1978 (25 U.S.C.
10 1801(a)) of the Tribal Colleges and Universities;
11 and

12 “(2) the remaining 40 percent shall be distrib-
13 uted in equal shares to the eligible Tribal Colleges
14 and Universities. ”.

15 **SEC. 5. PREDOMINANTLY BLACK INSTITUTIONS.**

16 (a) PREDOMINANTLY BLACK INSTITUTIONS.—Part A
17 of title III is amended by inserting after section 317 (20
18 U.S.C. 1059d) the following new section:

19 **“SEC. 318. PREDOMINANTLY BLACK INSTITUTIONS.**

20 “(a) FINDINGS AND PURPOSE.—

21 “(1) FINDINGS.—The Congress finds that—

22 “(A) although Black Americans have made
23 significant progress in closing the ‘gap’ between
24 black and white enrollment in higher
25 education—



1 “(i) Black Americans continue to trail
2 whites in the percentage of the college-age
3 cohort who enroll and graduate from col-
4 lege;

5 “(ii) the college participation rate of
6 whites was 46 percent from 2000–2002,
7 while that for blacks was only 39 percent;
8 and

9 “(iii) the gap between white and black
10 baccalaureate degree attainment rates also
11 remains high, continuing to exceed 10 per-
12 cent;

13 “(B) a growing number of Black American
14 students are participating in higher education
15 and are enrolled at a growing number of urban
16 and rural Predominantly Black Institutions
17 that have included in their mission the provi-
18 sion of academic training and education for
19 both traditional and non-traditional minority
20 students;

21 “(C) the overwhelming majority of stu-
22 dents attending Predominantly Black Institu-
23 tions come from low- and middle-income fami-
24 lies and qualify for participation in the Federal
25 student assistance programs or other need-



1 based Federal programs; and recent data from
2 the National Postsecondary Student Aid Study
3 indicate that 47 percent of Pell grant recipients
4 were black compared to only 21 percent of
5 whites;

6 “(D) many of these students are also ‘first
7 generation’ college students who lack the appro-
8 priate academic preparation for success in col-
9 lege and whose parents lack the ordinary knowl-
10 edge and information regarding financing a col-
11 lege education;

12 “(E) there is a particular national need to
13 aid institutions of higher education that have
14 become Predominantly Black Institutions by
15 virtue of the fact that they have expanded op-
16 portunities for Black American and other mi-
17 nority students;

18 “(F) Predominantly Black Institutions ful-
19 fill a unique mission and represent a vital com-
20 ponent of the American higher education land-
21 scape, far beyond that which was initially envi-
22 sioned;

23 “(G) Predominantly Black Institutions
24 serve the cultural and social advancement of
25 low-income, Black American and other minority



1 students and are a significant access point for
2 these students to higher education and the op-
3 portunities offered by American society;

4 “(H) the concentration of these students in
5 a limited number of two-year and four-year
6 Predominantly Black Institutions and their de-
7 sire to secure a degree to prepare them for a
8 successful career places special burdens on
9 those institutions who attract, retain, and grad-
10 uate these students; and

11 “(I) financial assistance to establish or
12 strengthen the physical plants, financial man-
13 agement, academic resources, and endowments
14 of the Predominantly Black Institutions are ap-
15 propriate methods to enhance these institutions
16 and facilitate a decrease in reliance on govern-
17 mental financial support and to encourage reli-
18 ance on endowments and private sources.

19 “(2) PURPOSE.—It is the purpose of this sec-
20 tion to assist Predominantly Black Institutions in
21 expanding educational opportunity through a pro-
22 gram of Federal assistance.

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



1 “(1) PREDOMINANTLY BLACK INSTITUTION.—

2 The term ‘Predominantly Black Institution’ means
3 an institution of higher education—

4 “(A) that is an eligible institution (as de-
5 fined in paragraph (5)(A) of this subsection)
6 with a minimum of 1,000 undergraduate stu-
7 dents;

8 “(B) at which at least 50 percent of the
9 undergraduate students enrolled at the institu-
10 tion are low-income individuals or first-genera-
11 tion college students (as that term is defined in
12 section 402A(g)); and

13 “(C) at which at least 50 percent of the
14 undergraduate students are enrolled in an edu-
15 cational program leading to a bachelor’s or as-
16 sociate’s degree that the institution is licensed
17 to award by the State in which it is located.

18 “(2) LOW-INCOME INDIVIDUAL.—The term
19 ‘low-income individual’ has the meaning given such
20 term in section 402A(g).

21 “(3) MEANS-TESTED FEDERAL BENEFIT PRO-
22 GRAM.—The term ‘means-tested Federal benefit pro-
23 gram’ means a program of the Federal Government,
24 other than a program under title IV, in which eligi-
25 bility for the programs’ benefits, or the amount of



1 such benefits, or both, are determined on the basis
2 of income or resources of the individual or family
3 seeking the benefit.

4 “(4) STATE.—The term ‘State’ means each of
5 the 50 States and the District of Columbia.

6 “(5) OTHER DEFINITIONS.—For purposes of
7 this section, the terms defined by section 312 have
8 the meanings provided by that section, except as fol-
9 lows:

10 “(A) ELIGIBLE INSTITUTION.—

11 “(i) The term ‘eligible institution’
12 means an institution of higher education
13 that—

14 “(I) has an enrollment of needy
15 undergraduate students as required
16 and defined by subparagraph (B);

17 “(II) except as provided in sec-
18 tion 392(b), the average educational
19 and general expenditure of which are
20 low, per full-time equivalent under-
21 graduate student in comparison with
22 the average educational and general
23 expenditure per full-time equivalent
24 undergraduate student of institutions
25 that offer similar instruction;

1 “(III) has an enrollment of un-
2 dergraduate students that is at least
3 40 percent Black American students;

4 “(IV) is legally authorized to pro-
5 vide, and provides within the State,
6 an educational program for which the
7 institution awards a bachelors degree,
8 or in the case of a junior or commu-
9 nity college, an associate’s degree; and

10 “(V) is accredited by a nationally
11 recognized accrediting agency or asso-
12 ciation determined by the Secretary to
13 be a reliable authority as to the qual-
14 ity of training offered, or is, according
15 to such an agency or association,
16 making reasonable progress toward
17 accreditation.

18 “(ii) For purposes of the determina-
19 tion of whether an institution is an eligible
20 institution under this subparagraph, the
21 factor described under clause (i)(I) shall be
22 given twice the weight of the factor de-
23 scribed under clause (i)(III).

24 “(B) ENROLLMENT OF NEEDY STU-
25 DENTS.—The term ‘enrollment of needy stu-

1 dents' means the enrollment at an eligible insti-
2 tution with respect to which at least 50 percent
3 of the undergraduate students enrolled in an
4 academic program leading to a degree—

5 “(i) in the second fiscal year pre-
6 ceding the fiscal year for which the deter-
7 mination is made, were Pell Grant recipi-
8 ents in such year;

9 “(ii) come from families that receive
10 benefits under a means-tested Federal ben-
11 efits program (as defined in subsection
12 (b)(3));

13 “(iii) attended a public or nonprofit
14 private secondary school which is in the
15 school district of a local educational agency
16 which was eligible for assistance pursuant
17 to title I of the Elementary and Secondary
18 Education Act of 1965 in any year during
19 which the student attended that secondary
20 school, and which for the purpose of this
21 paragraph and for that year was deter-
22 mined by the Secretary (pursuant to regu-
23 lations and after consultation with the
24 State educational agency of the State in
25 which the school is located) to be a school



1 in which the enrollment of children counted
2 under section 1113(a)(5) of the Elemen-
3 tary and Secondary Education Act of 1965
4 exceeds 30 percent of the total enrollment
5 of that school; or

6 “(iv) are ‘first-generation college stu-
7 dents’ as that term is defined in section
8 402A(g), and a majority of such first-gen-
9 eration college students are low-income in-
10 dividuals.

11 “(c) AUTHORIZED ACTIVITIES.—

12 “(1) TYPES OF ACTIVITIES AUTHORIZED.—
13 Grants awarded pursuant to subsection (d) shall be
14 used by Predominantly Black Institutions—

15 “(A) to assist the institution to plan, de-
16 velop, undertake, and implement programs to
17 enhance the institution’s capacity to serve more
18 low- and middle-income Black American stu-
19 dents;

20 “(B) to expand higher education opportu-
21 nities for title IV eligible students by encour-
22 aging college preparation and student persist-
23 ence in secondary and postsecondary education;
24 and



1 “(C) to strengthen the institution’s finan-
2 cial ability to serve the academic needs of the
3 students described in subparagraphs (A) and
4 (B).

5 “(2) AUTHORIZED ACTIVITIES.—Grants made
6 to an institution under subsection (d) shall be used
7 for one or more of the following activities:

8 “(A) The activities described in section
9 311(a)(1) through (11).

10 “(B) Academic instruction in disciplines in
11 which Black Americans are underrepresented.

12 “(C) Establishing or enhancing a program
13 of teacher education designed to qualify stu-
14 dents to teach in a public elementary or sec-
15 ondary school in the State that shall include, as
16 part of such program, preparation for teacher
17 certification.

18 “(D) Establishing community outreach
19 programs which will encourage elementary and
20 secondary students to develop the academic
21 skills and the interest to pursue postsecondary
22 education.

23 “(E) Other activities proposed in the appli-
24 cation submitted pursuant to subsection (e)
25 that—



1 “(i) contribute to carrying out the
2 purposes of this section; and

3 “(ii) are approved by the Secretary as
4 part of the review and acceptance of such
5 application.

6 “(3) ENDOWMENT FUND.—

7 “(A) IN GENERAL.—A Predominantly
8 Black Institution may use not more than 20
9 percent of the grant funds provided under this
10 section to establish or increase an endowment
11 fund at the institution.

12 “(B) MATCHING REQUIREMENT.—In order
13 to be eligible to use grant funds in accordance
14 with subparagraph (A), the Predominantly
15 Black Institution shall provide matching funds
16 from non-Federal sources, in an amount equal
17 to or greater than the Federal funds used in ac-
18 cordance with subparagraph (A), for the estab-
19 lishment or increase of the endowment fund.

20 “(C) COMPARABILITY.—The provisions of
21 part C regarding the establishment or increase
22 of an endowment fund, that the Secretary de-
23 termines are not inconsistent with this sub-
24 section, shall apply to funds used under sub-
25 paragraph (A).



1 “(4) LIMITATION.—Not more than 50 percent
2 of the allotment of any Predominantly Black Institu-
3 tion may be available for the purpose of constructing
4 or maintaining a classroom, library, laboratory, or
5 other instructional facility.

6 “(d) ALLOTMENTS TO PREDOMINANTLY BLACK IN-
7 STITUTIONS.—

8 “(1) ALLOTMENT: PELL GRANT BASIS.—From
9 the amounts appropriated to carry out this section
10 for any fiscal year, the Secretary shall allot to each
11 Predominantly Black Institution a sum which bears
12 the same ratio to one-half that amount as the num-
13 ber of Pell Grant recipients in attendance at such
14 institution at the end of the academic year preceding
15 the beginning of that fiscal year bears to the total
16 number of Pell Grant recipients at all institutions el-
17 igible under this section.

18 “(2) ALLOTMENT: GRADUATES BASIS.—From
19 the amounts appropriated to carry out this section
20 for any fiscal year, the Secretary shall allot to each
21 Predominantly Black Institution a sum which bears
22 the same ratio to one-fourth that amount as the
23 number of graduates for such school year at such in-
24 stitution bears to the total number of graduates for



1 such school year at all intuitions eligible under this
2 section.

3 “(3) ALLOTMENT: GRADUATES SEEKING A
4 HIGHER DEGREE BASIS.—From the amounts appro-
5 priated to carry out this section for any fiscal year,
6 the Secretary shall allot to each Predominantly
7 Black Institution a sum which bears the same ratio
8 to one-fourth of that amount as the percentage of
9 graduates per institution who are admitted to and in
10 attendance at, within 2 years of graduation with an
11 associates degree or a baccalaureate degree, either a
12 baccalaureate degree-granting institution or a grad-
13 uate or professional school in a degree program in
14 disciplines in which Black American students are
15 underrepresented, bears to the percentage of such
16 graduates per institution for all eligible institutions.

17 “(4) MINIMUM ALLOTMENT.—(A) Notwith-
18 standing paragraphs (1), (2), and (3), the amount
19 allotted to each Predominantly Black Institution
20 under this section shall not be less than \$250,000.

21 “(B) If the amount appropriated pursuant to
22 section 399 for any fiscal year is not sufficient to
23 pay the minimum allotment, the amount of such
24 minimum allotment shall be ratably reduced. If addi-
25 tional sums become available for such fiscal year,



1 such reduced allocation shall be increased on the
2 same basis as it was reduced until the amount allot-
3 ted equals the minimum allotment required by sub-
4 paragraph (A).

5 “(5) REALLOTMENT.—The amount of a Pre-
6 dominantly Black Institution’s allotment under para-
7 graph (1), (2), (3), or (4) for any fiscal year, which
8 the Secretary determines will not be required for
9 such institution for the period such allotment is
10 available, shall be available for reallocation to other
11 Predominantly Black Institutions in proportion to
12 the original allotment to such other institutions
13 under this section for such fiscal year. The Secretary
14 shall reallocate such amounts from time to time, on
15 such date and during such period as the Secretary
16 deems appropriate.

17 “(e) APPLICATIONS.—No Predominantly Black Insti-
18 tution shall be entitled to its allotment of Federal funds
19 for any grant under subsection (d) for any period unless
20 the institution submits an application to the Secretary at
21 such time, in such manner, and containing or accompanied
22 by such information as the Secretary may reasonably re-
23 quire.

24 “(f) APPLICATION REVIEW PROCESS.—Section 393
25 shall not apply to applications under this section.



1 “(g) PROHIBITION.—No Predominantly Black Insti-
2 tution that applies for and receives a grant under this sec-
3 tion may apply for or receive funds under any other pro-
4 gram under this part or part B of this title.

5 “(h) DURATION AND CARRYOVER.—Any funds paid
6 to a Predominantly Black Institution under this section
7 and not expended or used for the purposes for which the
8 funds were paid within 10 years following the date of the
9 grant awarded to such institution under this section shall
10 be repaid to the Treasury of the United States.”.

11 (b) AUTHORIZATION OF APPROPRIATIONS.—Section
12 399(a)(1) (20 U.S.C. 1068h(a)(1)) is amended by adding
13 at the end the following new subparagraph:

14 “(D) There are authorized to be appro-
15 priated to carry out section 318, \$25,000,000
16 for fiscal year 2007 and such sums as may be
17 necessary for each of the 5 succeeding fiscal
18 years.”.

19 **SEC. 6. GRANTS TO PART B INSTITUTIONS.**

20 (a) USE OF FUNDS.—

21 (1) FACILITIES AND EQUIPMENT.—

22 (A) UNDERGRADUATE INSTITUTIONS.—

23 Paragraph (2) of section 323(a) (20 U.S.C.
24 1062(a)) is amended to read as follows:



1 “(2) Construction, maintenance, renovation,
2 and improvement in classrooms, libraries, labora-
3 tories, and other instructional facilities, including
4 purchase or rental of telecommunications technology
5 equipment or services, and the acquisition of real
6 property adjacent to the campus of the institution
7 on which to construct such facilities.”.

8 (B) GRADUATE AND PROFESSIONAL
9 SCHOOLS.—Paragraph (2) of section 326(c) is
10 amended to read as follows:

11 “(2) construction, maintenance, renovation, and
12 improvement in classrooms, libraries, laboratories,
13 and other instructional facilities, including purchase
14 or rental of telecommunications technology equip-
15 ment or services, and the acquisition of real property
16 adjacent to the campus of the institution on which
17 to construct such facilities;”.

18 (2) OUTREACH AND COLLABORATION.—Para-
19 graph (11) of section 323(a) is amended to read as
20 follows:

21 “(11) Establishing community outreach pro-
22 grams and collaborative partnerships between part B
23 institutions and local elementary or secondary
24 schools. Such partnerships may include mentoring,
25 tutoring, or other instructional opportunities that



1 will boost student academic achievement and assist
2 elementary and secondary school students in devel-
3 oping the academic skills and the interest to pursue
4 postsecondary education.”.

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

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

9 (2) by inserting after subsection (b) the fol-
10 lowing new subsection:

11 “(c) TECHNICAL ASSISTANCE.—

12 “(1) IN GENERAL.—An institution may not use
13 more than 2 percent of the grant funds provided
14 under this part to secure technical assistance serv-
15 ices.

16 “(2) TECHNICAL ASSISTANCE SERVICES.—
17 Technical assistance services may include assistance
18 with enrollment management, financial management,
19 and strategic planning.

20 “(3) REPORT.—The institution shall report to
21 the Secretary on an annual basis, in such form as
22 the Secretary requires, on the use of funds under
23 this subsection.”.

24 (c) DISTANCE LEARNING.—Section 323(a)(2) (20
25 U.S.C. 1062(a)(2)) (as amended by subsection (a)(1)(A))



1 is further amended by inserting “development or improve-
2 ment of facilities for Internet use or other distance learn-
3 ing academic instruction capabilities and” after “includ-
4 ing”.

5 (d) MINIMUM GRANTS.—Section 324(d)(1) (20
6 U.S.C. 1063(d)(1)) is amended by inserting before the pe-
7 riod at the end the following: “, except that, if the amount
8 appropriated to carry out this part for any fiscal year ex-
9 ceeds the amount required to provide to each institution
10 an amount equal to the total amount received by such in-
11 stitution under subsections (a), (b), and (c) for the pre-
12 ceding fiscal year, then the amount of such excess appro-
13 priation shall first be applied to increase the minimum al-
14 lotment under this subsection to \$750,000”.

15 (e) ELIGIBLE GRADUATE OR PROFESSIONAL
16 SCHOOLS.—

17 (1) GENERAL AUTHORITY.—Section 326(a)(1)
18 (20 U.S.C. 1063b(a)(1)) is amended—

19 (A) by inserting “(A)” after “subsection
20 (e) that”;

21 (B) by inserting before the period at the
22 end the following: “, (B) is accredited by a na-
23 tionally recognized accrediting agency or asso-
24 ciation determined by the Secretary to be a reli-
25 able authority as to the quality of training of-



1 ferred, and (C) according to such an agency or
2 association, is in good standing”.

3 (2) ELIGIBLE INSTITUTIONS.—Section
4 326(e)(1) (20 U.S.C. 1063b(e)(1)) is amended—

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

7 (B) by striking the period at the end of
8 subparagraph (R) and inserting a semicolon;
9 and

10 (C) by adding at the end the following new
11 subparagraphs:

12 “(S) Alabama State University qualified
13 graduate program;

14 “(T) Prairie View A & M University
15 qualified graduate program;

16 “(U) Coppin State University qualified
17 graduate program; and

18 “(V) Delaware State University qualified
19 graduate program.”.

20 (3) CONFORMING AMENDMENT.—Section
21 326(e)(3) (20 U.S.C. 1063b(e)(3)) is amended—

22 (A) by striking “1998” and inserting
23 “2005”; and

24 (B) by striking “(Q) and (R)” and insert-
25 ing “(S), (T), (U), and (V)”.



1 (f) PROFESSIONAL OR GRADUATE INSTITUTIONS.—

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

3 (1) in paragraph (1)—

4 (A) by striking “\$26,600,000” and insert-
5 ing “\$54,500,000”; and

6 (B) by striking “(P)” and inserting “(R)”;

7 (2) in paragraph (2)—

8 (A) by striking “\$26,600,000, but not in
9 excess of \$28,600,000” and inserting
10 “\$54,500,000, but not in excess of
11 \$58,500,000”; and

12 (B) by striking “subparagraphs (Q) and
13 (R)” and inserting “subparagraphs (S), (T),
14 (U), and (V)”;

15 (3) in paragraph (3)—

16 (A) by striking “\$28,600,000” and insert-
17 ing “\$58,500,000”; and

18 (B) by striking “(R)” and inserting “(V)”.

19 (g) HOLD HARMLESS.—Section 326(g) (20 U.S.C.
20 1063b(g)) is amended by striking “1998” each place it
21 appears and inserting “2005”.

22 **SEC. 7. PELL GRANTS.**

23 (a) TUITION SENSITIVITY.—Section 401(b) is further
24 amended—

25 (1) by striking paragraph (3); and



1 (2) by redesignating paragraphs (4) through
2 (8) as paragraphs (3) through (7), respectively.

3 (b) MULTIPLE GRANTS.—Paragraph (5) of section
4 401(b) (as redesignated by subsection (a)(2)) is amended
5 to read as follows:

6 “(5) YEAR-ROUND PELL GRANTS.—

7 “(A) IN GENERAL.—The Secretary shall,
8 for students enrolled full time in a baccalaureate or associate’s degree program of study
9 at an eligible institution, award such students
10 two Pell grants during a single award year to
11 permit such students to accelerate progress toward their degree objectives by enrolling in academic programs for 12 months rather than 9
12 months.

13 “(B) LIMITATION.—The Secretary shall
14 limit the awarding of additional Pell grants
15 under this paragraph in a single award year to
16 students attending—

17 “(i) baccalaureate degree granting institutions that have a graduation rate as
18 reported by the Integrated Postsecondary Education Data System for the 4 preceding academic years of at least 30 percent; or
19
20
21
22
23
24
25



1 “(ii) two-year institutions that have a
2 graduation rate as reported by the Inte-
3 grated Postsecondary Education Data Sys-
4 tems, in at least one of the last 3 years for
5 which data is available, that is above the
6 average for the applicable year for the in-
7 stitution’s type and control.

8 “(C) EVALUATION.—The Secretary shall
9 conduct an evaluation of the program under
10 this paragraph and submit to the Congress an
11 evaluation report no later than October 1,
12 2011.

13 “(D) REGULATIONS REQUIRED.—The Sec-
14 retary shall promulgate regulations imple-
15 menting this paragraph.”.

16 **SEC. 8. INTEREST RATE REDUCTIONS.**

17 (a) FFEL INTEREST RATES.—Section 427A(l)(1) of
18 the Higher Education Act of 1965 (20 U.S.C.
19 1077a(l)(1)) is amended—

20 (1) by striking “6.8 percent” and inserting “3.4
21 percent”; and

22 (2) by inserting before the period at the end the
23 following: “, except that for any loan made pursuant
24 to section 428H for which the first disbursement is
25 made on or after July 1, 2006, the applicable rate



1 of interest shall be 6.8 percent on the unpaid prin-
2 cipal balance of the loan”.

3 (b) DIRECT LOANS.—Section 455(b)(7)(A) of the
4 Higher Education Act of 1965 (20 U.S.C.
5 1087e(b)(7)(A)) is amended—

6 (1) by striking “and Federal Direct Unsub-
7 sidized Stafford Loans”;

8 (2) by striking “6.8 percent” and inserting “3.4
9 percent”; and

10 (3) by inserting before the period at the end the
11 following: “, and for any Federal Direct Unsub-
12 sidized Loan made for which the first disbursement
13 is made on or after July 1, 2006, the applicable rate
14 of interest shall be 6.8 percent on the unpaid prin-
15 cipal balance of the loan”.

16 (c) EFFECTIVE DATE.—The amendments made by
17 this section shall be effective for loans made on or after
18 July 1, 2006 and before July 1, 2007.

19 **SEC. 9. LOAN FORGIVENESS FOR SERVICE IN AREAS OF NA-**
20 **TIONAL NEED.**

21 Section 428K (20 U.S.C. 1078–11) is amended to
22 read as follows:

23 **“SEC. 428K. LOAN FORGIVENESS FOR SERVICE IN AREAS OF**
24 **NATIONAL NEED.**

25 **“(a) PURPOSES.—The purposes of this section are—**



1 “(1) to encourage highly trained individuals to
2 enter and continue in service in areas of national
3 need; and

4 “(2) to reduce the burden of student debt for
5 Americans who dedicate their careers to service in
6 areas of national need.

7 “(b) PROGRAM AUTHORIZED.—

8 “(1) IN GENERAL.—The Secretary is authorized
9 to carry out a program of assuming the obligation
10 to repay, pursuant to paragraphs (2) of subsection
11 (c) and subsection (d), a qualified loan amount for
12 a loan made, insured, or guaranteed under this part
13 or part D (other than loans made under section
14 428B and 428C and comparable loans made under
15 part D), for any new borrower after the date of en-
16 actment of the Reverse the Raid on Student Aid Act
17 of 2006, who—

18 “(A) has been employed full-time for at
19 least 5 consecutive complete school, academic,
20 or calendar years, as appropriate, in an area of
21 national need described in subsection (c); and

22 “(B) is not in default on a loan for which
23 the borrower seeks forgiveness.

24 “(2) AWARD BASIS.—Loan repayment under
25 this section shall be on a first-come, first-served



1 basis pursuant to the designation under subsection
2 (c) and subject to the availability of appropriations.

3 “(3) REGULATIONS.—The Secretary is author-
4 ized to issue such regulations as may be necessary
5 to carry out the provisions of this section.

6 “(c) AREAS OF NATIONAL NEED.—

7 “(1) STATUTORY CATEGORIES.—For purposes
8 of this section, an individual shall be treated as em-
9 ployed in an area of national need if the individual
10 is employed full time and is any of the following:

11 “(A) EARLY CHILDHOOD EDUCATORS.—An
12 individual who is employed as an early child-
13 hood educator in an eligible preschool program
14 or child care facility in a low-income commu-
15 nity, and who is involved directly in the care,
16 development and education of infants, toddlers,
17 or young children through age five.

18 “(B) NURSES.—An individual who is
19 employed—

20 “(i) as a nurse in a clinical setting; or

21 “(ii) as a member of the nursing fac-
22 ulty at an accredited school of nursing (as
23 those terms are defined in section 801 of
24 the Public Health Service Act (42 U.S.C.
25 296)).



1 “(C) FOREIGN LANGUAGE SPECIALISTS.—

2 An individual who has obtained a baccalaureate
3 degree in a critical foreign language and is
4 employed—

5 “(i) in an elementary or secondary
6 school as a teacher of a critical foreign lan-
7 guage; or

8 “(ii) in an agency of the United
9 States Government in a position that regu-
10 larly requires the use of such critical for-
11 eign language.

12 “(D) LIBRARIANS.—An individual who is
13 employed full-time as a librarian in—

14 “(i) a public library that serves a geo-
15 graphic area within which the public
16 schools have a combined average of 30 per-
17 cent or more of their total student enroll-
18 ments composed of children counted under
19 section 1113(a)(5) of the Elementary and
20 Secondary Education Act of 1965; or

21 “(ii) an elementary or secondary
22 school which is in the school district of a
23 local educational agency which is eligible in
24 such year for assistance pursuant to title I
25 of the Elementary and Secondary Edu-



1 cation Act of 1965, and which for the pur-
2 pose of this paragraph and for that year
3 has been determined by the Secretary
4 (pursuant to regulations and after con-
5 sultation with the State educational agency
6 of the State in which the school is located)
7 to be a school in which the enrollment of
8 children counted under section 1113(a)(5)
9 of the Elementary and Secondary Edu-
10 cation Act of 1965 exceeds 30 percent of
11 the total enrollment of that school.

12 “(E) HIGHLY QUALIFIED TEACHERS: BI-
13 LINGUAL EDUCATION AND LOW-INCOME COM-
14 MUNITIES.—An individual who—

15 “(i) is highly qualified as such term is
16 defined in section 9101 of the Elementary
17 and Secondary Education Act of 1965; and

18 “(ii)(I) is employed as a full-time
19 teacher of bilingual education; or

20 “(II) is employed as a teacher for
21 service in a public or nonprofit private ele-
22 mentary or secondary school which is in
23 the school district of a local educational
24 agency which is eligible in such year for
25 assistance pursuant to title I of the Ele-



1 elementary and Secondary Education Act of
2 1965, and which for the purpose of this
3 paragraph and for that year has been de-
4 termined by the Secretary (pursuant to
5 regulations and after consultation with the
6 State educational agency of the State in
7 which the school is located) to be a school
8 in which the enrollment of children counted
9 under section 1113(a)(5) of the Elemen-
10 tary and Secondary Education Act of 1965
11 exceeds 40 percent of the total enrollment
12 of that school.

13 “(F) FIRST RESPONDERS IN LOW-INCOME
14 COMMUNITIES.—An individual who—

15 “(i) is employed as a firefighter, police
16 officer, or emergency medical technician;
17 and

18 “(ii) serves as such in a low-income
19 community.

20 “(G) CHILD WELFARE WORKERS.—An in-
21 dividual who—

22 “(i) has obtained a degree in social
23 work or a related field with a focus on
24 serving children and families; and



1 “(ii) is employed in public or private
2 child welfare services.

3 “(H) SPEECH-LANGUAGE PATHOLO-
4 GISTS.—An individual who is a speech-language
5 pathologist, who is employed in an eligible pre-
6 school program or an elementary or secondary
7 school, and who has, at a minimum, a graduate
8 degree in speech-language pathology, or com-
9 munication sciences and disorders.

10 “(I) ADDITIONAL AREAS OF NATIONAL
11 NEED.—An individual who is employed in an
12 area designated by the Secretary under para-
13 graph (2) and has completed a baccalaureate or
14 advanced degree related to such area.

15 “(2) DESIGNATION OF AREAS OF NATIONAL
16 NEED.—After consultation with appropriate Federal,
17 State, and community-based agencies and organiza-
18 tions, the Secretary shall designate areas of national
19 need. In making such designations, the Secretary
20 shall take into account the extent to which—

21 “(A) the national interest in the area is
22 compelling;

23 “(B) the area suffers from a critical lack
24 of qualified personnel; and



1 “(C) other Federal programs support the
2 area concerned.

3 “(d) QUALIFIED LOAN AMOUNT.—The Secretary
4 shall repay not more than \$5,000 in the aggregate of the
5 loan obligation on a loan made under section 428 or 428H
6 that is outstanding after the completion of the fifth con-
7 secutive school, academic, or calendar year, as appro-
8 priate, described in subsection (b)(1).

9 “(e) CONSTRUCTION.—Nothing in this section shall
10 be construed to authorize the refunding of any repayment
11 of a loan made under section 428 or 428H.

12 “(f) INELIGIBILITY OF NATIONAL SERVICE AWARD
13 RECIPIENTS.—No student borrower may, for the same
14 service, receive a benefit under both this section and sub-
15 title D of title I of the National and Community Service
16 Act of 1990 (42 U.S.C. 12601 et seq.).

17 “(g) INELIGIBILITY FOR DOUBLE BENEFITS.—No
18 borrower may receive a reduction of loan obligations under
19 both this section and section 428J or 460.

20 “(h) DEFINITIONS.—In this section

21 “(1) CHILD CARE FACILITY.—The term ‘child
22 care facility’ means a facility, including a home,
23 that—

24 “(A) provides for the education and care of
25 children from birth through age 5; and



1 “(B) meets any applicable State or local
2 government licensing, certification, approval, or
3 registration requirements.

4 “(2) CRITICAL FOREIGN LANGUAGE.—The term
5 ‘critical foreign language’ includes the languages of
6 Arabic, Korean, Japanese, Chinese, Pashto, Persian-
7 Farsi, Serbian-Croatian, Russian, Portuguese, and
8 any other language identified by the Secretary of
9 Education, in consultation with the Defense Lan-
10 guage Institute, the Foreign Service Institute, and
11 the National Security Education Program, as a crit-
12 ical foreign language need.

13 “(3) EARLY CHILDHOOD EDUCATOR.—The
14 term ‘early childhood educator’ means an early
15 childhood educator employed in an eligible preschool
16 program who has completed a baccalaureate or ad-
17 vanced degree in early childhood development, early
18 childhood education, or in a field related to early
19 childhood education.

20 “(4) ELIGIBLE PRESCHOOL PROGRAM.—The
21 term ‘eligible preschool program’ means a program
22 that provides for the care, development, and edu-
23 cation of infants, toddlers, or young children
24 through age 5, meets any applicable State or local



1 government licensing, certification, approval, and
2 registration requirements, and is operated by—

3 “(A) a public or private school that may be
4 supported, sponsored, supervised, or adminis-
5 tered by a local educational agency;

6 “(B) a Head Start agency serving as a
7 grantee designated under the Head Start Act
8 (42 U.S.C. 9831 et seq.);

9 “(C) a nonprofit or community based orga-
10 nization; or

11 “(D) a child care program, including a
12 home.

13 “(5) LOW-INCOME COMMUNITY.—In this sub-
14 section, the term ‘low-income community’ means a
15 community in which 70 percent of households earn
16 less than 85 percent of the State median household
17 income.

18 “(6) NURSE.—The term ‘nurse’ means a nurse
19 who meets all of the following:

20 “(A) The nurse graduated from—

21 “(i) an accredited school of nursing
22 (as those terms are defined in section 801
23 of the Public Health Service Act (42
24 U.S.C. 296));

25 “(ii) a nursing center; or



1 “(iii) an academic health center that
2 provides nurse training.

3 “(B) The nurse holds a valid and unre-
4 stricted license to practice nursing in the State
5 in which the nurse practices in a clinical set-
6 ting.

7 “(C) The nurse holds one or more of the
8 following:

9 “(i) A graduate degree in nursing, or
10 an equivalent degree.

11 “(ii) A nursing degree from a colle-
12 giate school of nursing (as defined in sec-
13 tion 801 of the Public Health Service Act
14 (42 U.S.C. 296)).

15 “(iii) A nursing degree from an asso-
16 ciate degree school of nursing (as defined
17 in section 801 of the Public Health Service
18 Act (42 U.S.C. 296)).

19 “(iv) A nursing degree from a diploma
20 school of nursing (as defined in section
21 801 of the Public Health Service Act (42
22 U.S.C. 296)).

23 “(7) SPEECH-LANGUAGE PATHOLOGIST.—The
24 term ‘speech-language pathologist’ means a speech-
25 language pathologist who meets all of the following:



1 “(A) the speech-language pathologist has
2 received, at a minimum, a graduate degree in
3 speech-language pathology or communication
4 sciences and disorders from an institution of
5 higher education accredited by an agency or as-
6 sociation recognized by the Secretary pursuant
7 to section 496(a) of this Act; and

8 “(B) the speech-language pathologist
9 meets or exceeds the qualifications as defined in
10 section 1861(11) of the Social Security Act (42
11 U.S.C. 1395x).

12 “(i) AUTHORIZATION OF APPROPRIATIONS.—There
13 are authorized to be appropriated to carry out this section
14 such sums as may be necessary for fiscal year 2007 and
15 such sums as may be necessary for each of the 5 suc-
16 ceeding fiscal years.”.

17 **SEC. 10. ADDITIONAL CONSOLIDATION LOAN CHANGES.**

18 (a) ADDITIONAL AMENDMENTS.—Section
19 428C(b)(1) (20 U.S.C. 1078–3(b)(1)) is amended—

20 (1) by striking everything after “under this sec-
21 tion” the first place it appears in subparagraph (A);

22 (2) by striking “(i) which” and all that follows
23 through “and (ii)” in subparagraph (C);

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



1 (4) by redesignating subparagraph (F) as sub-
2 paragraph (G); and

3 (5) by inserting after subparagraph (E) the fol-
4 lowing new subparagraph:

5 “(F) that the lender of the consolidation
6 loan shall, upon application for such loan, pro-
7 vide the borrower with a clear and conspicuous
8 notice of at least the following information:

9 “(i) the effects of consolidation on
10 total interest to be paid, fees to be paid,
11 and length of repayment;

12 “(ii) the effects of consolidation on a
13 borrower’s underlying loan benefits, includ-
14 ing loan forgiveness, cancellation,
15 deferment, and reduced interest rates on
16 those underlying loans;

17 “(iii) the ability of the borrower to
18 prepay the loan, pay on a shorter schedule,
19 and to change repayment plans;

20 “(iv) that borrower benefit programs
21 may vary among different loan holders,
22 and a description of how the borrower ben-
23 efits may vary among different loan hold-
24 ers;



1 “(v) the tax benefits for which bor-
2 rowers may be eligible;

3 “(vi) the consequences of default; and

4 “(vii) that by making the application
5 the applicant is not obligated to agree to
6 take the consolidation loan; and”.

7 (b) **EFFECTIVE DATE FOR SINGLE HOLDER AMEND-**
8 **MENT.**—The amendment made by subsection (a)(1) shall
9 apply with respect to any loan made under section 428C
10 of the Higher Education Act of 1965 (20 U.S.C. 1078–
11 3) for which the application is received by an eligible lend-
12 er on or after July 1, 2006.

13 **SEC. 11. SIGNIFICANTLY SIMPLIFYING THE STUDENT AID**
14 **APPLICATION PROCESS.**

15 (a) **IMPROVEMENTS TO PAPER AND ELECTRONIC**
16 **FORMS.**—

17 (1) **COMMON FINANCIAL AID FORM DEVELOP-**
18 **MENT AND PROCESSING.**—Section 483(a) (20 U.S.C.
19 1090(a)) is amended—

20 (A) by striking paragraphs (1), (2), and
21 (5);

22 (B) by redesignating paragraphs (3), (4),
23 (6), and (7), as paragraphs (9), (10), (11), and
24 (12), respectively;

1 (C) by inserting before paragraph (9), as
2 redesignated by subparagraph (B), the fol-
3 lowing:

4 “(1) IN GENERAL.—The Secretary, in coopera-
5 tion with representatives of agencies and organiza-
6 tions involved in student financial assistance, shall
7 produce, distribute, and process free of charge com-
8 mon financial reporting forms as described in this
9 subsection to be used for application and reapplica-
10 tion to determine the need and eligibility of a stu-
11 dent for financial assistance under parts A through
12 E (other than subpart 4 of part A). These forms
13 shall be made available to applicants in both paper
14 and electronic formats and shall be referred to as
15 the ‘Free Application for Federal Student Aid’ or
16 the ‘FAFSA’.

17 “(2) EARLY ESTIMATES.—

18 “(A) IN GENERAL.—The Secretary shall
19 permit applicants to complete such forms as de-
20 scribed in this subsection in the 4 years prior
21 to enrollment in order to obtain a non-binding
22 estimate of the family contribution, as defined
23 in section 473. The estimate shall clearly and
24 conspicuously indicate that it is only an esti-
25 mate of family contribution, and may not re-



1 flect the actual family contribution of the appli-
2 cant that shall be used to determine the grant,
3 loan, or work assistance that the applicant may
4 receive under this title when enrolled in a pro-
5 gram of postsecondary education. Such appli-
6 cants shall be permitted to update information
7 submitted on forms described in this subsection
8 using the process required under paragraph
9 (5)(A).

10 “(B) EVALUATION.—Two years after the
11 early estimates are implemented under this
12 paragraph and from data gathered from the
13 early estimates, the Secretary shall evaluate the
14 differences between initial, non-binding early es-
15 timates and the final financial aid award made
16 available under this title.

17 “(C) REPORT.—The Secretary shall pro-
18 vide a report to the authorizing committees on
19 the results of the evaluation.

20 “(3) PAPER FORMAT.—

21 “(A) IN GENERAL.—The Secretary shall
22 produce, distribute, and process common forms
23 in paper format to meet the requirements of
24 paragraph (1). The Secretary shall develop a



1 common paper form for applicants who do not
2 meet the requirements of subparagraph (B).

3 “(B) EZ FAFSA.—

4 “(i) IN GENERAL.—The Secretary
5 shall develop and use a simplified paper
6 application form, to be known as the ‘EZ
7 FAFSA’, to be used for applicants meeting
8 the requirements of section 479(c).

9 “(ii) REDUCED DATA REQUIRE-
10 MENTS.—The form under this subpara-
11 graph shall permit an applicant to submit,
12 for financial assistance purposes, only the
13 data elements required to make a deter-
14 mination of whether the applicant meets
15 the requirements under section 479(c).

16 “(iii) STATE DATA.—The Secretary
17 shall include on the form under this sub-
18 paragraph such data items as may be nec-
19 essary to award State financial assistance,
20 as provided under paragraph (6), except
21 that the Secretary shall not include a
22 State’s data if that State does not permit
23 its applicants for State assistance to use
24 the form under this subparagraph.



1 “(iv) FREE AVAILABILITY AND PROC-
2 ESSING.—The provisions of paragraph (7)
3 shall apply to the form under this subpara-
4 graph, and the data collected by means of
5 the form under this subparagraph shall be
6 available to institutions of higher edu-
7 cation, guaranty agencies, and States in
8 accordance with paragraph (9).

9 “(v) TESTING.—The Secretary shall
10 conduct appropriate field testing on the
11 form under this subparagraph.

12 “(C) PROMOTING THE USE OF ELEC-
13 TRONIC FAFSA.—

14 “(i) IN GENERAL.—The Secretary
15 shall make an effort to encourage appli-
16 cants to utilize the electronic forms de-
17 scribed in paragraph (4).

18 “(ii) MAINTENANCE OF THE FAFSA IN
19 A PRINTABLE ELECTRONIC FILE.—The
20 Secretary shall maintain a version of the
21 paper forms described in subparagraphs
22 (A) and (B) in a printable electronic file
23 that is easily portable. The printable elec-
24 tronic file will be made easily accessible
25 and downloadable to students on the same



1 website used to provide students with the
2 electronic application forms described in
3 paragraph (4) of this subsection. The Sec-
4 retary shall enable students to submit a
5 form created under this subparagraph that
6 is downloaded and printed from an elec-
7 tronic file format in order to meet the fil-
8 ing requirements of this section and in
9 order to receive aid from programs under
10 this title.

11 “(iii) REPORTING REQUIREMENT.—
12 The Secretary shall report annually to
13 Congress on the impact of the digital di-
14 vide on students completing applications
15 for title IV aid described under this para-
16 graph and paragraph (4). The Secretary
17 will also report on the steps taken to elimi-
18 nate the digital divide and phase out the
19 paper form described in subparagraph (A)
20 of this paragraph. The Secretary’s report
21 will specifically address the impact of the
22 digital divide on the following student pop-
23 ulations: dependent students, independent
24 students without dependents, and inde-



1 pendent students with dependents other
2 than a spouse.

3 “(4) ELECTRONIC FORMAT.—

4 “(A) IN GENERAL.—The Secretary shall
5 produce, distribute, and process common forms
6 in electronic format to meet the requirements of
7 paragraph (1). The Secretary shall develop
8 common electronic forms for applicants who do
9 not meet the requirements of subparagraph (C)
10 of this paragraph.

11 “(B) STATE DATA.—The Secretary shall
12 include on the common electronic forms space
13 for information that needs to be submitted from
14 the applicant to be eligible for State financial
15 assistance, as provided under paragraph (6), ex-
16 cept the Secretary shall not require applicants
17 to complete data required by any State other
18 than the applicant’s State of residence.

19 “(C) SIMPLIFIED APPLICATIONS: FAFSA ON
20 THE WEB.—

21 “(i) IN GENERAL.—The Secretary
22 shall develop and use a simplified elec-
23 tronic application form to be used by appli-
24 cants meeting the requirements under sub-
25 section (c) of section 479 and an addi-



1 tional, separate simplified electronic appli-
2 cation form to be used by applicants meet-
3 ing the requirements under subsection (b)
4 of section 479.

5 “(ii) REDUCED DATA REQUIRE-
6 MENTS.—The simplified electronic applica-
7 tion forms shall permit an applicant to
8 submit for financial assistance purposes,
9 only the data elements required to make a
10 determination of whether the applicant
11 meets the requirements under subsection
12 (b) or (c) of section 479.

13 “(iii) STATE DATA.—The Secretary
14 shall include on the simplified electronic
15 application forms such data items as may
16 be necessary to award state financial as-
17 sistance, as provided under paragraph (6),
18 except that the Secretary shall not require
19 applicants to complete data required by
20 any State other than the applicant’s State
21 of residence.

22 “(iv) AVAILABILITY AND PROC-
23 ESSING.—The data collected by means of
24 the simplified electronic application forms
25 shall be available to institutions of higher



1 education, guaranty agencies, and States
2 in accordance with paragraph (9).

3 “(v) TESTING.—The Secretary shall
4 conduct appropriate field testing on the
5 forms developed under this subparagraph.

6 “(D) USE OF FORMS.—Nothing in this
7 subsection shall be construed to prohibit the use
8 of the forms developed by the Secretary pursu-
9 ant to this paragraph by an eligible institution,
10 eligible lender, guaranty agency, State grant
11 agency, private computer software provider, a
12 consortium thereof, or such other entities as the
13 Secretary may designate.

14 “(E) PRIVACY.—The Secretary shall en-
15 sure that data collection under this paragraph
16 complies with section 552a of title 5, United
17 States Code, and that any entity using the elec-
18 tronic version of the forms developed by the
19 Secretary pursuant to this paragraph shall
20 maintain reasonable and appropriate adminis-
21 trative, technical, and physical safeguards to
22 ensure the integrity and confidentiality of the
23 information, and to protect against security
24 threats, or unauthorized uses or disclosures of
25 the information provided on the electronic ver-



1 sion of the forms. Data collected by such elec-
2 tronic version of the forms shall be used only
3 for the application, award, and administration
4 of aid awarded under this title, State aid, or aid
5 awarded by eligible institutions or such entities
6 as the Secretary may designate. No data col-
7 lected by such electronic version of the forms
8 shall be used for making final aid awards under
9 this title until such data have been processed by
10 the Secretary or a contractor or designee of the
11 Secretary, except as may be permitted under
12 this title.

13 “(F) SIGNATURE.—Notwithstanding any
14 other provision of this Act, the Secretary may
15 permit an electronic form under this paragraph
16 to be submitted without a signature, if a signa-
17 ture is subsequently submitted by the applicant.

18 “(5) STREAMLINING.—

19 “(A) STREAMLINED REAPPLICATION PROC-
20 ESS.—

21 “(i) IN GENERAL.—The Secretary
22 shall develop streamlined reapplication
23 forms and processes, including both paper
24 and electronic reapplication processes, con-
25 sistent with the requirements of this sub-



1 section, for an applicant who applies for fi-
2 nancial assistance under this title—

3 “(I) in the academic year suc-
4 ceeding the year in which such appli-
5 cant first applied for financial assist-
6 ance under this title; or

7 “(II) in any succeeding academic
8 years.

9 “(ii) MECHANISMS FOR REAPPLICA-
10 TION.—The Secretary shall develop appro-
11 priate mechanisms to support reapplica-
12 tion.

13 “(iii) IDENTIFICATION OF UPDATED
14 DATA.—The Secretary shall determine, in
15 cooperation with States, institutions of
16 higher education, agencies, and organiza-
17 tions involved in student financial assist-
18 ance, the data elements that can be up-
19 dated from the previous academic year’s
20 application.

21 “(iv) REDUCED DATA AUTHORIZED.—
22 Nothing in this title shall be construed as
23 limiting the authority of the Secretary to
24 reduce the number of data elements re-
25 quired of reapplicants.



1 “(v) ZERO FAMILY CONTRIBUTION.—

2 Applicants determined to have a zero fam-
3 ily contribution pursuant to section 479(c)
4 shall not be required to provide any finan-
5 cial data in a reapplication form, except
6 that which is necessary to determine eligi-
7 bility under such section.

8 “(B) REDUCTION OF DATA ELEMENTS.—

9 “(i) REDUCTION ENCOURAGED.—Of
10 the number of data elements on the
11 FAFSA on the date of enactment of the
12 Reverse the Raid on Student Aid Act of
13 2006 (including questions on the FAFSA
14 for the purposes described in paragraph
15 (6)), the Secretary, in cooperation with
16 representatives of agencies and organiza-
17 tions involved in student financial assist-
18 ance, shall continue to reduce the number
19 of such data elements following the date of
20 enactment. Reductions of data elements
21 under paragraph (3)(B), (4)(C), or
22 (5)(A)(iv) shall not be counted towards the
23 reduction referred to in this paragraph un-
24 less those data elements are reduced for all
25 applicants.



1 “(ii) REPORT.—The Secretary shall
2 annually report to the House of Represent-
3 atives and the Senate on the progress
4 made of reducing data elements.

5 “(6) STATE REQUIREMENTS.—

6 “(A) IN GENERAL.—The Secretary shall
7 include on the forms developed under this sub-
8 section, such State-specific data items as the
9 Secretary determines are necessary to meet
10 State requirements for State need-based finan-
11 cial aid under section 415C, except as provided
12 in paragraphs (3)(B)(iii) and (4)(C)(iii) of this
13 subsection. Such items shall be selected in con-
14 sultation with State agencies in order to assist
15 in the awarding of State financial assistance in
16 accordance with the terms of this subsection,
17 except as provided in paragraphs (3)(B)(iii) and
18 (4)(C)(iii) of this subsection. The number of
19 such data items shall not be less than the num-
20 ber included on the form on October 7, 1998,
21 unless a State notifies the Secretary that the
22 State no longer requires those data items for
23 the distribution of State need-based financial
24 aid.



1 “(B) ANNUAL REVIEW.—The Secretary
2 shall conduct an annual review process to deter-
3 mine which forms and data items the States re-
4 quire to award State need-based financial aid
5 and other application requirements that the
6 States may impose.

7 “(C) STATE USE OF SIMPLIFIED FORMS.—
8 The Secretary shall encourage States to take
9 such steps as necessary to encourage the use of
10 simplified application forms, including those de-
11 scribed in paragraphs (3)(B) and (4)(C), to
12 meet the requirements under subsection (b) or
13 (c) of section 479.

14 “(D) FEDERAL REGISTER NOTICE.—The
15 Secretary shall publish on an annual basis a no-
16 tice in the Federal Register requiring State
17 agencies to inform the Secretary—

18 “(i) if the State agency is unable to
19 permit applicants to utilize the simplified
20 application forms described in paragraphs
21 (3)(B) and (4)(C); and

22 “(ii) of the State-specific data that
23 the State agency requires for delivery of
24 State need-based financial aid.



1 “(E) STATE NOTIFICATION TO THE SEC-
2 RETARY.—

3 “(i) IN GENERAL.—Each State agency
4 shall notify the Secretary—

5 “(I) whether the State permits
6 an applicant to file a form described
7 in paragraph (3)(B) or paragraph
8 (4)(C) of this subsection for purposes
9 of determining eligibility for State
10 need-based financial aid; and

11 “(II) the State-specific data that
12 the State agency requires for delivery
13 of State need-based financial aid.

14 “(ii) ACCEPTANCE OF FORMS.—In the
15 event that a State does not permit an ap-
16 plicant to file a form described in para-
17 graph (3)(B) or paragraph (4)(C) of this
18 subsection for purposes of determining eli-
19 gibility for State need-based financial
20 aid—

21 “(I) the State shall notify the
22 Secretary if the State is not permitted
23 to do so because of either State law or
24 because of agency policy; and



1 “(II) the notification under sub-
2 clause (I) shall include an estimate of
3 the program cost to permit applicants
4 to complete simplified application
5 forms under paragraphs (3)(B) and
6 paragraph (4)(C) of this subsection.

7 “(iii) LACK OF NOTIFICATION BY THE
8 STATE.—If a State does not notify the
9 Secretary pursuant to clause (i), the Sec-
10 retary shall—

11 “(I) permit residents of that
12 State to complete simplified applica-
13 tion forms under paragraphs (3)(B)
14 and paragraph (4)(C) of this sub-
15 section; and

16 “(II) not require any resident of
17 that State to complete any data pre-
18 viously required by that State under
19 this section.

20 “(7) CHARGES TO STUDENTS AND PARENTS
21 FOR USE OF FORMS PROHIBITED.—

22 “(A) FEES PROHIBITED.—The FAFSA, in
23 whatever form (including the EZ-FAFSA,
24 paper, electronic, simplified, or reapplication),
25 shall be produced, distributed, and processed by



1 the Secretary and no parent or student shall be
2 charged a fee for the collection, processing, or
3 delivery of financial aid through the use of the
4 FAFSA. The need and eligibility of a student
5 for financial assistance under parts A through
6 E of this title (other than under subpart 4 of
7 part A) may only be determined by using the
8 FAFSA developed by the Secretary pursuant to
9 this subsection. No student may receive assist-
10 ance under parts A through E of this title
11 (other than under subpart 4 of part A), except
12 by use of the FAFSA developed by the Sec-
13 retary pursuant to this subsection. No data col-
14 lected on a form for which a fee is charged shall
15 be used to complete the FAFSA.

16 “(B) NOTICE.—Any entity that provides to
17 students or parents, or charges students or par-
18 ents for, any value-added services with respect
19 to or in connection with the FAFSA, such as
20 completion of the FAFSA, submission of the
21 FAFSA, or tracking of the FAFSA for a stu-
22 dent, shall provide to students and parents
23 clear and conspicuous notice that—

24 “(i) the FAFSA is a free Federal stu-
25 dent aid application;



1 “(ii) the FAFSA can be completed
2 without professional assistance; and

3 “(iii) includes the current Internet ad-
4 dress for the FAFSA on the Department’s
5 web site.

6 “(8) APPLICATION PROCESSING CYCLE.—The
7 Secretary shall enable students to submit a form
8 created under this subsection in order to meet the
9 filing requirements of this section and in order to re-
10 ceive aid from programs under this title and shall
11 initiate the processing of applications under this
12 subsection as early as practicable prior to January
13 1 of the student’s planned year of enrollment.”.

14 (2) MASTER CALENDAR.—Section 482(a)(1)(B)
15 (20 U.S.C. 1089) is amended to read as follows:

16 “(B) by March 1: proposed modifications,
17 updates, and notices pursuant to sections 478,
18 479(c)(2)(C), and 483(a)(6) published in the
19 Federal Register;”.

20 (b) INCREASING ACCESS TO TECHNOLOGY.—Section
21 483 (20 U.S.C. 1090) is further amended by adding at
22 the end the following:

23 “(f) ADDRESSING THE DIGITAL DIVIDE.—The Sec-
24 retary shall utilize savings accrued by moving more appli-
25 cants to the electronic forms described in subsection (a)(4)



1 to improve access to the electronic forms described in sub-
2 section (a)(4) for applicants meeting the requirements of
3 section 479(c).”.

4 (c) EXPANDING THE DEFINITION OF AN INDE-
5 PENDENT STUDENT.—Section 480(d) (20
6 U.S.C.1087vv(d)) is amended by striking paragraph (2)
7 and inserting the following:

8 “(2) is an orphan, in foster care, or a ward of
9 the court, or was in foster care or a ward of the
10 court until the individual reached the age of 18;”.

11 **SEC. 12. DISCRETION OF STUDENT FINANCIAL AID ADMIN-
12 ISTRATORS.**

13 Section 479A(a) (20 U.S.C. 1087tt(a)) is amended—
14 (1) by striking “(a) IN GENERAL.—” and in-
15 serting the following:

16 “(a) AUTHORITY TO MAKE ADJUSTMENTS.—

17 “(1) ADJUSTMENTS FOR SPECIAL CIR-
18 CUMSTANCES.—”;

19 (2) by inserting before “Special circumstances
20 may” the following:

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

22 (3) by inserting “a student’s status as a ward
23 of the court at any time prior to attaining 18 years
24 of age, a student’s status as an individual who was
25 adopted at or after age 13, a student’s status as a



1 homeless or unaccompanied youth (as defined in sec-
2 tion 725 of the McKinney-Vento Homeless Assist-
3 ance Act),” after “487,”;

4 (4) by inserting before “Adequate documenta-
5 tion” the following:

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

8 (5) by inserting before “No student” the fol-
9 lowing:

10 “(4) FEES FOR SUPPLEMENTARY INFORMATION
11 PROHIBITED.—”.

12 **SEC. 13. POSTBACCALAUREATE OPPORTUNITIES FOR HIS-**
13 **PANIC AMERICANS.**

14 (a) ESTABLISHMENT OF PROGRAM.—Title V is
15 amended—

16 (1) by redesignating part B as part C;

17 (2) by redesignating sections 511 through 518
18 as sections 521 through 528, respectively; and

19 (3) by inserting after section 505 (20 U.S.C.
20 1101d) the following new part:

21 **“PART B—PROMOTING POSTBACCALAUREATE**
22 **OPPORTUNITIES FOR HISPANIC AMERICANS**

23 **“SEC. 511. PURPOSES.**

24 “The purposes of this part are—



1 “(1) to expand postbaccalaureate educational
2 opportunities for, and improve the academic attain-
3 ment of, Hispanic students; and

4 “(2) to expand the postbaccalaureate academic
5 offerings and enhance the program quality in the in-
6 stitutions that are educating the majority of His-
7 panic college students and helping large numbers of
8 Hispanic and low-income students complete postsec-
9 ondary degrees.

10 **“SEC. 512. PROGRAM AUTHORITY AND ELIGIBILITY.**

11 “(a) PROGRAM AUTHORIZED.—Subject to the avail-
12 ability of funds appropriated to carry out this part, the
13 Secretary shall award competitive grants to Hispanic-serv-
14 ing institutions determined by the Secretary to be making
15 substantive contributions to graduate educational opportu-
16 nities for Hispanic students.

17 “(b) ELIGIBILITY.—For the purposes of this part, an
18 ‘eligible institution’ means an institution of higher edu-
19 cation that—

20 “(1) is an eligible institution under section
21 502(a)(2); and

22 “(2) offers a postbaccalaureate certificate or de-
23 gree granting program.



1 **“SEC. 513. AUTHORIZED ACTIVITIES.**

2 “Grants awarded under this part shall be used for
3 one or more of the following activities:

4 “(1) Purchase, rental, or lease of scientific or
5 laboratory equipment for educational purposes, in-
6 cluding instructional and research purposes.

7 “(2) Construction, maintenance, renovation,
8 and improvement of classrooms, libraries, labora-
9 tories, and other instructional facilities, including
10 purchase or rental of telecommunications technology
11 equipment or services.

12 “(3) Purchase of library books, periodicals,
13 technical and other scientific journals, microfilm,
14 microfiche, and other educational materials, includ-
15 ing telecommunications program materials.

16 “(4) Support for needy postbaccalaureate stu-
17 dents including outreach, academic support services,
18 mentoring, scholarships, fellowships, and other fi-
19 nancial assistance to permit the enrollment of such
20 students in postbaccalaureate certificate and degree
21 granting programs.

22 “(5) Support of faculty exchanges, faculty de-
23 velopment, faculty research, curriculum development,
24 and academic instruction.

25 “(6) Creating or improving facilities for Inter-
26 net or other distance learning academic instruction



1 capabilities, including purchase or rental of tele-
2 communications technology equipment or services.

3 “(7) Collaboration with other institutions of
4 higher education to expand postbaccalaureate certifi-
5 cate and degree offerings.

6 “(8) Other activities proposed in the application
7 submitted pursuant to section 514 that—

8 “(A) contribute to carrying out the pur-
9 poses of this part; and

10 “(B) are approved by the Secretary as part
11 of the review and acceptance of such applica-
12 tion.

13 **“SEC. 514. APPLICATION AND DURATION.**

14 “(a) APPLICATION.—Any eligible institution may
15 apply for a grant under this part by submitting an applica-
16 tion to the Secretary at such time and in such manner
17 as determined by the Secretary. Such application shall
18 demonstrate how the grant funds will be used to improve
19 postbaccalaureate education opportunities in programs
20 and professions in which Hispanic Americans are under-
21 represented.

22 “(b) DURATION.—Grants under this part shall be
23 awarded for a period not to exceed 5 years.



1 “(c) LIMITATION.—The Secretary shall not award
2 more than one grant under this part in any fiscal year
3 to any Hispanic-serving institution.”.

4 (b) COOPERATIVE ARRANGEMENTS.—Section 524(a)
5 (as redesignated by subsection (a)(2)) (20 U.S.C.
6 1103c(a)) is amended by inserting “and section 513” after
7 “section 503”.

8 (c) AUTHORIZATION OF APPROPRIATIONS.—Sub-
9 section (a) of section 528 (as redesignated by subsection
10 (a)(2) of this section) (20 U.S.C. 1103g) is amended to
11 read as follows:

12 “(a) AUTHORIZATIONS.—

13 “(1) PART A.—There are authorized to be ap-
14 propriated to carry out part A and part C of this
15 title \$96,000,000 for fiscal year 2006 and such
16 sums as may be necessary for each of the 5 suc-
17 ceeding fiscal years.

18 “(2) PART B.—There are authorized to be ap-
19 propriated to carry out part B of this title
20 \$59,000,000 for fiscal year 2006 and such sums as
21 may be necessary for each of the 5 succeeding fiscal
22 years.”.



1 **SEC. 14. CANCELLATION OF STUDENT LOAN INDEBTED-**
2 **NESS FOR SURVIVORS OF VICTIMS OF THE**
3 **SEPTEMBER 11, 2001, ATTACKS.**

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

5 (1) **ELIGIBLE PUBLIC SERVANT.**—The term “el-
6 igitible public sesrvant” means an individual who, as
7 determined in accordance with regulations of the
8 Secretary—

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

12 (B) died (or dies) or became (or becomes)
13 permanently and totally disabled due to injuries
14 suffered in the terrorist attack on September
15 11, 2001.

16 (2) **ELIGIBLE VICTIM.**—The term “eligible vic-
17 tim” means an individual who, as determined in ac-
18 cordance with regulations of the Secretary, died (or
19 dies) or became (or becomes) permanently and to-
20 tally disabled due to injuries suffered in the terrorist
21 attack on September 11, 2001.

22 (3) **ELIGIBLE PARENT.**—The term “eligible
23 parent” means the parent of an eligible victim if—

24 (A) the parent owes a Federal student loan
25 that is a consolidation loan that was used to



1 repay a PLUS loan incurred on behalf of such
2 eligible victim; or

3 (B) the parent owes a Federal student loan
4 that is a PLUS loan incurred on behalf of an
5 eligible victim.

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

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

12 (b) RELIEF FROM INDEBTEDNESS.—

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

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

23 (B) the portion incurred on behalf of the
24 eligible victim (other than an eligible public
25 servant), of a Federal student loan that is a



1 consolidation loan that was used jointly by the
2 eligible victim and his or her spouse, as deter-
3 mined in accordance with regulations of the
4 Secretary, to repay the Federal student loans of
5 the eligible victim and his or her spouse;

6 (C) the portion of the consolidation loan
7 indebtedness of an eligible parent that was in-
8 curred on behalf of an eligible victim; and

9 (D) the PLUS loan indebtedness of an eli-
10 gible parent that was incurred on behalf of an
11 eligible victim.

12 (2) METHOD OF DISCHARGE OR CANCELLA-
13 TION.—A loan required to be discharged or canceled
14 under paragraph (1) shall be discharged or canceled
15 by the method used under section 437(a), 455(a)(1),
16 or 464(e)(1)(F) of the Higher Education Act of
17 1965 (20 U.S.C. 1087(a), 1087e(a)(1),
18 1087dd(e)(1)(F)), whichever is applicable to such
19 loan.

20 (c) FACILITATION OF CLAIMS.—The Secretary
21 shall—

22 (1) establish procedures for the filing of appli-
23 cations for discharge or cancellation under this sec-
24 tion by regulations that shall be prescribed and pub-
25 lished within 90 days after the date of enactment of



1 this Act and without regard to the requirements of
2 section 553 of title 5, United States Code; and

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

7 (d) AVAILABILITY OF FUNDS FOR PAYMENTS.—
8 Funds available for the purposes of making payments to
9 lenders in accordance with section 437(a) for the dis-
10 charge of indebtedness of deceased or disabled individuals
11 shall be available for making payments under section
12 437(a) to lenders of loans as required by this section.

13 (e) APPLICABLE TO OUTSTANDING DEBT.—The pro-
14 visions of this section shall be applied to discharge or can-
15 cel only Federal student loans (including consolidation
16 loans) on which amounts were owed on September 11,
17 2001. Nothing in this section shall be construed to author-
18 ize any refunding of any repayment of a loan.

19 **SEC. 15. GENERAL EXTENSION OF HIGHER EDUCATION**
20 **PROGRAMS.**

21 (a) EXTENSION OF DURATION.—Except as otherwise
22 provided in this Act, the authorization of appropriations
23 for, and the duration of, each program authorized under
24 the Higher Education Act of 1965 (20 U.S.C. 1001 et
25 seq.) shall be extended through July 1, 2012.



1 (b) PERFORMANCE OF REQUIRED AND AUTHORIZED
2 FUNCTIONS.—If the Secretary of Education, a State, an
3 institution of higher education, a guaranty agency, a lend-
4 er, or another person or entity—

5 (1) is required, in or for fiscal year 2004, to
6 carry out certain acts or make certain determina-
7 tions or payments under a program under the High-
8 er Education Act of 1965, such acts, determinations,
9 or payments shall be required to be carried out,
10 made, or continued during the period of the exten-
11 sion under this section; or

12 (2) is permitted or authorized, in or for fiscal
13 year 2004, to carry out certain acts or make certain
14 determinations or payments under a program under
15 the Higher Education Act of 1965, such acts, deter-
16 minations, or payments are permitted or authorized
17 to be carried out, made, or continued during the pe-
18 riod of the extension under this section.

19 (c) EXTENSION AT CURRENT LEVELS.—Unless the
20 amount authorized to be appropriated for a program de-
21 scribed in subsection (a) is otherwise amended by another
22 section of this Act, the amount authorized to be appro-
23 priated for such a program during the period of extension
24 under this section shall be the amount authorized to be
25 appropriated for such program for fiscal year 2004, or the



1 amount appropriated for such program for such fiscal
2 year, whichever is greater. Except as provided in any
3 amendment to the Higher Education Act of 1965 enacted
4 during fiscal year 2005 or 2006, the amount of any pay-
5 ment required or authorized under subsection (b) in or
6 for the period of the extension under this section shall be
7 determined in the same manner as the amount of the cor-
8 responding payment required or authorized in or for fiscal
9 year 2004.

10 (d) ADVISORY COMMITTEES AND OTHER ENTITIES
11 CONTINUED.—Any advisory committee, interagency orga-
12 nization, or other entity that was, during fiscal year 2004,
13 authorized or required to perform any function under the
14 Higher Education Act of 1965 (20 U.S.C. 1001 et seq.),
15 or in relation to programs under that Act, shall continue
16 to exist and is authorized or required, respectively, to per-
17 form such function for the period of the extension under
18 this section.

