

The Higher Education Opportunity Act

Expanding College Access, Strengthening our Future

A college education continues to be the best path to the middle class. But more and more, high college prices and other obstacles are putting a college degree further out of reach for America's students. In addition to rising tuition, students and their families face an overly complex federal student aid application process and a student loan industry mired in conflicts of interest and corrupt lending practices.

The Higher Education Opportunity Act will continue this Congress' effort to make college more affordable and accessible. This bill would reform our higher education system so that it operates in the best interests of students and families, while boosting our competitiveness and strengthening our future. The legislation would:

Encourage colleges to rein in price increases and provide consumers with helpful information

- ü Creates a user-friendly website to provide students and families with helpful information, such as tuition prices, graduation rates, and popular majors, when making important education decisions.
- ü Establishes web-based calculators that would provide students and families with early estimates of their expected college costs, and allow them to estimate the annual and total cost of a college education based on individual colleges and universities.
- ü Holds colleges and universities accountable for their tuition hikes by requiring them to report their reasons for tuition increases.
- ü Ensures states maintain higher education funding and encourages colleges to use innovative methods to keep costs down.

Restore integrity and accountability to the student loan programs

- ü Requires institutions and lenders to adopt strict codes of conduct.
- ü Provides students with fair and full information about their borrowing options when taking out and repaying student loans, including the terms and conditions of both federal and private student loans; and promotes financial literacy and education for students and parents.
- ü Protects students from aggressive marketing practices by lenders.

Simplify the federal student aid application process

- ü Streamlines the Free Application for Federal Student Aid (FAFSA) process, and creates an easy-to-navigate two-page FAFSA-EZ form for low-income families.
- ü Provides families with extra time to plan for their college expenses.
- ü Encourages the Department of Education to coordinate with the Internal Revenue Service to use financial information that the government already has.

Make textbook costs more manageable

- ü Provides students with advance information on textbook pricing to help them plan for expenses before each semester.
- ü Ensures that colleges and faculty have full textbook pricing information when making purchasing decisions.
- ü Requires publishers to provide pricing information on "unbundled" versions of every "bundled" textbook they sell.

Expand college access and support for low-income and minority students

- ü Makes college more affordable for low-income and non-traditional students by allowing students to receive Pell Grant scholarship aid year round.
- ü Expands funding for graduate student programs at Historically Black Colleges and Universities, Hispanic Serving Institutions, and Predominately Black Institutions.
- ü Strengthens the TRIO and GEAR UP college readiness and support programs for low-income and first-generation students.

Increase college aid and support for veterans and military families

- ü Creates a new scholarship program for active duty military personnel and family members, including children and spouses of active duty military service members or veterans.
- ü Establishes support centers to help veterans succeed in college and graduate.
- ü Ensures fairness in student aid and housing aid for veterans to make it easier for them to go to college while also fulfilling their military service duties.

Ensure equal college opportunities for students with disabilities

- ü Establishes a national center to provide support services and best practices for colleges, students with disabilities, and their families.
- ü Helps colleges recruit, retain, and graduate students with disabilities and improves education materials and facilities.
- ü Expands eligibility for Pell Grant scholarships and other need-based aid for students with intellectual disabilities.

Boost campus safety and disaster readiness plans

- ü Helps all colleges develop and implement state-of-the-art emergency systems and campus safety plans, and requires the Department of Education to develop and maintain a disaster plan in preparation for emergencies.
- ü Creates a National Center for Campus Safety at the Department of Justice to work in collaboration with the COPS Program.
- ü Establishes a disaster relief loan program to help schools recover and rebuild in the event of a disaster.

Encourage colleges to adopt sustainable and energy-efficient practices

- ü Creates a grant program to help colleges and universities design and implement sustainable practices.
- ü Convenes the first-ever higher education summit on sustainability to examine how to implement energy-efficient and sustainable practices at institutions of higher education.

Strengthen our workforce and our competitiveness

- ü Creates programs to bolster students' interest in science, technology and critical foreign languages through collaborations with businesses and other stakeholders.
- ü Improves teacher training and development programs and focuses on recruiting teachers into high demand science and technology fields.
- ü Encourages students to enter vital public service jobs by authorizing up to \$10,000 in loan forgiveness for public defenders, prosecutors, firefighters, military service members, first responders, law enforcement officers, educators, nurses, and others serving the public interest.

THE HIGHER EDUCATION ACT: BACKGROUND

The Higher Education Act (HEA) authorizes the federal government's core student aid programs, as well as other programs that provide support services to enable disadvantaged students to complete secondary school and enter and complete college, and provide aid to certain institutions of higher education. In the 2005-2006 academic year, the HEA student aid programs comprised about 61 percent of all federal (excluding education tax credits), state, and institutional aid awarded to students. The HEA was last reauthorized by the Higher Education Amendments of 1998.

TITLE I: GENERAL PROVISIONS

Title I primarily provides the general provisions and definitions that govern most of the programs authorized by the HEA.

Changes in the Conference agreement:

Dually enrolled students

The Conference agreement amends the definition of an institution of higher education to include institutions that admit students who are dually or concurrently enrolled in the institution and a secondary school.

Foreign medical schools

The Conference agreement allows foreign medical schools to be eligible for federal aid if they have a clinical training program approved prior to January 1, 2008, certify only unsubsidized Stafford or PLUS loans, and agree to reimburse the Secretary for the cost of any defaulted loans in the institution's cohorts each fiscal year. It also allows foreign nursing schools to be eligible for federal aid if they have agreements with hospitals and nursing programs located within the United States, have students complete their training in the United States, certify only unsubsidized Stafford and PLUS loans, and agree to reimburse the Secretary for the cost of any student loan defaults if the institution's cohort default rate exceeds 5 percent.

National Advisory Committee on Institutional Quality and Integrity (NACIQI)

The NACIQI advises the Secretary of Education on matters related to accreditation and the eligibility and certification process for institutions of higher education. Under current law, the Secretary appoints members of NACIQI for three-year terms of office. The Conference agreement increases the committee membership to eighteen members from 15, with six members appointed by the Secretary, six members appointed by the House of Representatives (three appointed by the majority leader and three by the minority leader), and six members appointed by the Senate (three appointed by the majority leader and three by the minority leader), all for six year terms. The conference agreement allows for an appropriate transition time period for the new committee to commence.

College costs

College Costs- Tools for Students

Higher Education Summary Page- A snapshot of college costs: The Conference agreement requires the Secretary to annually publish a sort-able and searchable list of all institutions in the country to provide information on tuition and fees, average price after grant aid, recent price increases, and change in per-student spending.

Consumer Information: The Conference agreement also includes the creation of a user-friendly page to outline basic information about each individual institution, such as costs, graduation rates, and popular majors.

Net Price Calculator: The Conference agreement requires the Secretary to develop a web-based tool to allow students and families to receive an estimate of cost for their specific income and family situations and adapts those estimates to individual institutions. Institutions are required to post this calculator, or an institution-developed equivalent, on their websites.

Multi-Year Tuition Estimates: The Conference agreement requires the Secretary to develop a web-based calculator to allow students and families to estimate the annual and total cost of the full duration of undergraduate study at each individual institution. The calculator will also allow students to compare estimated costs among multiple institutions.

College Cost Affordability and Transparency

Cost Affordability and Transparency Lists: The Conference agreement requires the Secretary, beginning in 2010, to publish transparency lists of institutions based on their tuition and fees as well as net tuition, by type of institution:

1. The 5% most expensive institutions in the country.
2. The 10% least expensive institutions in the country.
3. The 5% of institutions that had the largest percentage increase over the last three years.

Accountability for Cost Increases: The Conference agreement requires institutions with the largest percentage increases (the third list) to report to the Secretary on reasons for tuition increases. Institutions will be exempt from these requirements (and will not show up on the third list) if the dollar increase over the 3 year period was less than \$600.

State Investment in Higher Education

A state maintenance of effort to make college more affordable: The bill ensures that states maintain their own level of college financing—to ensure that they fulfill their end of the bargain to make a quality college education affordable to all students. Under this section, states risk losing their funds under the newly created Challenge Grants if they fail to meet the state maintenance of effort. For those states that have specific fiscal challenges, the bill includes a waiver that may be given at the discretion of the Secretary.

State higher education appropriations chart: Also included in the Conference agreement is a report on each state's appropriations for higher education, including a comparison of the percentage change in each state's appropriations per enrolled student in public IHEs in that state to the percentage change in tuition and fees for each public IHE in that state for each of the five previous years.

Textbook costs

The Conference agreement directs college textbook publishers to provide pricing information to faculty and other personnel when they are making purchasing decisions and to provide combined or 'bundled' educational materials separately. The Conference agreement also directs institutions and college bookstores to provide textbook information to students early so that they are aware of the textbook costs associated with each course when they are making course selections each semester.

Student loan Sunshine--Private student loans

The Conference agreement includes provisions to help restore students' and families' trust in the nation's financial aid system by addressing conflicts of interest and questionable practices in the student loan industry identified by Congress and others. These provisions will:

- ü Require institutions of higher education to adopt strict codes of conduct that adhere to specific guidelines.
- ü Ban all gifts and revenue sharing arrangements between lenders and schools;
- ü Require that lists of preferred or recommended lenders be compiled by schools with students' best interests in mind.
- ü Ensure students have access to lenders of their choice, including those not on a school's preferred list of lenders.

The conference agreement also provides for students and families to receive full and fair information when taking out and repaying loans. It will:

- ü The conference agreement also provides for students and families to receive full and fair information when taking out and repaying loans. Require lenders and schools that participate in preferred lender arrangements to disclose the key terms and conditions of loans made pursuant to such arrangements.
- ü Require schools that provide information to students about private education loans to inform students of their potential eligibility for free Federal grant aid and lower-cost Federal student loans.

TITLE II: TEACHER QUALITY ENHANCEMENT

Title II, Part A of the HEA authorizes grant programs designed to improve the quality of teaching. The provision also authorizes a reporting and accountability system on the quality of teacher preparation, which includes the pass rates of graduates of schools of education on certification assessments. This structure was first created during the last reauthorization of the HEA in 1998.

Changes in the Conference agreement:

Partnership grants

The Conference agreement revises the current structure of the teacher education provisions by consolidating the three main programs (state, recruitment, and partnership grants) into one partnership program. The program's partnership grants award funds for new initiatives including the establishment of induction programs, a residency model, and mentoring for new teachers. The partnership grants also include greater accountability to ensure both that states develop standards for their teacher education programs, and that these standards and information on the particular programs are reported to the Department of Education.

Preparing teachers for digital age learners

The Conference agreement retains the goal of the PT3 grant program but revises the section to focus on ensuring that teacher candidates can not only integrate technology in the classroom, but also assess the use of this technology.

Honorable Augustus F. Hawkins Centers of Excellence

The Conference agreement establishes new Centers of Excellence to provide grants to HBCUs and other Minority Serving Institutions (MSIs) to improve teacher quality and preparation.

Teach to Reach Grants

The conference agreement includes a competitive grant program to improve the preparation of general education teacher candidates in order to more effectively teach students with disabilities.

Adjunct Teacher Corps

The conference agreement includes a competitive grant program for local education agencies to form partnerships to help recruit and train math, science and critical foreign language specialists to serve as adjunct content specialists in support of teachers.

Fellowships in High Need Subject Areas

The conference agreement includes a new program to establish graduate fellowships to prepare individuals to become university faculty who will then prepare highly qualified teachers in fields of special education, bilingual education, English as a second language, and math and science.

TITLE III: INSTITUTIONAL AID

Title III provides institutional assistance programs to colleges and universities to strengthen their academic, administrative, and financial capacities. Title III authorizes financial assistance to select groups of institutions, including tribal colleges, Alaska Native- and Native Hawaiian-Serving institutions, Asian-Pacific Islander serving institutions, and historically black colleges and universities (HBCUs).

Changes in the Conference agreement:

Predominantly Black Institutions, Asian-Pacific Islander Serving Institutions

The Conference agreement establishes new designations within title III:

- ü *Predominantly Black Institutions (PBIs)* as institutions that have an enrollment of undergraduate students at least 40 percent of whom are African American; and, that have at least 1,000 undergraduate students of whom not less than 50 percent enrolled at the institution are low-income or first generation and registered in a BA or AA program leading to a degree.
- ü *Asian and Pacific Islander Serving Institutions* as institutions that have an enrollment of undergraduate students that is at least 10 percent Asian American and Pacific Islander and that have a significant enrollment of financially needy students.

Native Americans

The Conference agreement makes modest changes to current law with respect to Tribally Controlled Colleges. Additionally, it creates a designation for Native American Non-Tribal institutions which are institutions that (1) have an enrollment of undergraduate students that is not less than 10 percent Native American students and (2) are not already designated as a Tribal College or University under section 316 of the Higher Education Act.

Historically Black Colleges and Universities (HBCUs)

In addition to several technical changes, the Conference agreement amends Title III Part B to allow HBCUs to receive funds to acquire property, provide financial literacy education, and seek technical assistance. Additionally, the Conference agreement adds six graduate programs to the list of HBCUs, namely Alabama State, Bowie State, Delaware State, Langston University, Prairie View A&M, and the University of the District of Columbia School of Law. Finally, this section provides a waiver to allow

schools affected by the Gulf Coast hurricanes to be held harmless at the enrollment levels prior to the hurricanes.

Historically Black Colleges and Universities (HBCUs) Capital Financing Program

The conference agreement raises the legislative “cap” or limit on the amount of outstanding loans that can be made under the program, providing the Secretary of Education the authority to make additional loans to help meet the growing needs of eligible institutions. In addition, the agreement includes a requirement for the HBCU Capital Financing Advisory Board to develop recommendations for the Secretary and the Congress to increase the accessibility and flexibility of institutions that participate in the program. Moreover, the agreement includes provisions to ensure that future program contractors that administer the program are selected on a competitive basis and that the selection and evaluation process for such contractors is conducted in a transparent manner.

Minority Science and Engineering Improvement (MSEI) Program

H.R. 4137 adds a new initiative to the current MSEI program to support the participation of underrepresented minority youth in science, technology, engineering, and mathematics through outreach and hands-on experiential-based learning projects. The Conference agreement also includes a marketing campaign aimed at encouraging minorities to enter the fields of science, technology, engineering, and mathematics.

TITLE IV: STUDENT ASSISTANCE

Student Aid

The bulk of the HEA is comprised of the student assistance programs in Title IV that provide grant aid, loans, and work-study assistance.

The largest student aid programs are the Pell Grant program, and the Federal Family Education Loan (FFEL) and Direct Loan (DL) programs. Pell Grants—need based grant aid for undergraduate students—will assist 5.8 million students this year. Loans in the FFEL program are made by private lenders and are available to undergraduate and graduate students, and their parents. The DL program provides the same kinds of loans as the FFEL program, but the loan capital is provided directly by the federal government; participating postsecondary institutions or contractors act as loan originators and servicers on behalf of the federal government.

The campus based aid programs are comprised of Federal Supplemental Educational Opportunity Grants (SEOG), Federal Work-Study, and Federal Perkins Loans. The funds for these programs are allocated to postsecondary institutions for award to students. Schools must match a portion of their allocation under each of these programs. Undergraduates can participate in each of these programs, while graduate students are eligible for only Work-Study and Perkins Loans.

The Leveraging Educational Assistance Partnership (LEAP) program provides matching funds to states to encourage them to provide need-based state grant programs to students. In fiscal year 2008, more than 160,000 students received a LEAP grant.

Student Support Services

Title IV authorizes the HEA's primary programs for student services, the federal TRIO programs and the Gaining Early Awareness and Readiness for Undergraduate Program (GEAR UP). In general, these programs provide disadvantaged students with support services to help them complete high school, and enter and persist in college. The TRIO programs (so called because there were once just three of them)

include Talent Search, Upward Bound, Student Support Services, Educational Opportunity Centers, McNair Post baccalaureate, and Staff Training.

Changes in the Conference agreement:

Pell grants

The Conference agreement increases the authorized maximum Pell grant award from \$5,800 under current law to \$8,000. The Conference agreement also allows the Pell grant to be used year round, for certificate programs, and by part-time students. The Conference agreement limits student eligibility for the Pell grant to eighteen semesters or twenty-seven quarters (or its equivalent if the student attends part time).

TRIO

The Conference agreement includes outcome measures and evaluation criteria for the TRIO programs. It also retains a provision to prohibit the Department of Education from continuing to implement the absolute priority and evaluation in the Upward Bound program. The Conference agreement allows certain non-funded applicants to appeal funding decisions to the Department of Education. Lastly, the Conference agreement includes provisions to allow TRIO programs to specifically focus services on students who are typically underrepresented in education, foster and homeless youth, other disconnected youth, and students with disabilities.

Campus based aid

The Conference agreement provides for the cancellation of Perkins loans for firefighters and librarians. The Conference agreement also clarifies the definition of an early childhood educator. Additionally, the Conference agreement includes provisions to help sustain the Perkins loan program. It also reauthorizes the Supplemental Education Opportunity Grants (SEOG) and the Work Study program. The Conference agreement also allows funds to be transferred from work-study to Perkins.

Loan forgiveness

The Conference agreement includes a new \$10,000 loan forgiveness program for individuals serving in high-needs areas. These qualified individuals are eligible for up to \$2,000 in loan forgiveness each year for five years. Eligible professions are: early childhood educators, nurses, foreign language specialists, librarians, teachers, child welfare workers, speech-language pathologists and audiologists, school counselors, public sector employees, nutrition professionals, medical specialists, mental health professionals, dentist, STEM employees, physical therapists, school administrators, and occupational therapists.

Additionally, the Conference agreement includes further clarification of the public service definition in the ten-year loan forgiveness program established by the College Cost Reduction and Access Act (P.L. 110-84) to specifically add nurses, allied health professionals, and early childhood educators.

EZ-FAFSA

The Conference agreement simplifies the Free Application for Federal Student Aid (FAFSA) and ensures that students and families begin to receive aid information earlier in the college application process.

Specifically, the Conference agreement:

- ü Encourages the Secretary to reduce the number of questions required to be answered by the applicant by 50 percent in the next five years.

- ü Creates a two-page FAFSA-EZ form for students and families who qualify for the 'auto-zero' family contribution.
- ü Streamlines the reapplication process so that applicants must only provide updated data in subsequent years, rather than re-filing a new FAFSA.
- ü Directs the Secretary to implement a system that allows students and families, in the years before they apply for aid, to enter and update information and receive estimates of their Expected Family Contribution (EFC), as well as an estimated amount of aid.
- ü Ensures that the Department of Education and the Internal Revenue Service can work together to use information the government already has with respect to students and families.

Students with intellectual disabilities

The reauthorization includes eligibility for Pell grants, work-study programs, and SEOG for students with intellectual disabilities enrolled in comprehensive transition postsecondary programs who demonstrate financial need, even if they are enrolled in non-degree programs.

Peer-to-Peer file sharing on campus

The Conference agreement requires institutions to report their policies with respect to copyright infringement and illegal peer-to-peer file sharing/downloading and any procedures used to address the infractions.

Articulation agreements and transfer of credit

The Conference agreement encourages states to develop and implement comprehensive articulation agreements among institutions of higher education over the next two years, and directs the Secretary to provide technical assistance.

The Conference agreement also requires institutions to fully disclose their transfer of credit policies for current and prospective students.

The '90/10 Rule'

The conference agreement strikes from the statutory definition of an institution of higher education the provision that a for-profit school must derive no more than 90 percent of its revenue from federal title IV student aid programs. Instead, the agreement makes this provision a requirement of a school's title IV program participation agreement with the Secretary. In addition, the agreement clarifies and provides additional flexibility with respect to the types of revenue that count toward the 10 percent of revenues that must come from non-title IV sources. In particular, the agreement provides that schools may count funds from 529 college savings plans, and activities conducted by the school (to the extent they are not included in schools' tuition, fees, and charges) that are necessary for the education or training of students enrolled in educational programs, as well as institutional aid and scholarships (to the extent such aid comes from established restricted accounts and the funds in such accounts represent designated funds from an outside source or from income earned on those funds). In addition, the agreement removes the automatic termination of a school's title IV program eligibility after a single violation of the 90/10 rule. The agreement also provides institutions temporary flexibility in complying with the 90/10 rule in light of current credit market conditions and recent increases in federal student aid. For a period of time (three fiscal years), institutions may count the loans made by the institution towards their 10 percent as well as the amount of students' unsubsidized Stafford loans that exceed the loan limits that existed prior to enactment of the Ensuring Continued Access to Student Loans Act (P.L. 110-227).

The agreement also includes additional safeguards, transparency, and reporting as well as increased sanctions for violating the rule. The Secretary will have the authority to require increased monitoring

and reporting requirements. Further, if a school violates the rule for two consecutive years, the school will lose eligibility to participate in title IV programs for a minimum of two years.

The conference agreement also provides for public disclosure of schools that violate the rule in any given year. Moreover, the agreement requires the Secretary to annually report to the appropriate Congressional committees for each for-profit school the calculation of its revenue from federal student aid programs.

Accreditation

The Conference agreement requires an accrediting agency that already has or seeks to include the evaluation of distance education programs within its scope of recognition to demonstrate to the Secretary that its standards effectively address the quality of distance education programs in the same areas in which it evaluates classroom-based programs.

The Conference agreement also provides that information about investigations of institutions of higher education will not be made public until the final ruling. This is consistent with the process followed by the Securities and Exchange Commission in its investigations.

Auction

The Conference agreement includes a study of the loan auction included as part of the College Cost Reduction and Access Act (P.L. 110-84).

Cohort Default Rate

The Conference agreement extends the time period for the measurement of an institution's CDR from two years to three years. Language in the manager's amendment includes an effective date, increases in the thresholds for the benefits and consequences institutions may face under this rate, as well as an appeals process prior to institutions being removed from the Title IV program because of their CDR. Additionally, provisions are included to address the unique status of community colleges as low-loan volume institutions.

TITLE V: DEVELOPING INSTITUTIONS

Title V provides institutional assistance programs to colleges and universities to strengthen their academic, administrative, and financial capacities. Title V authorizes financial assistance to Hispanic Serving Institutions (HSIs).

Changes in the Conference agreement:

Hispanic Serving Institutions (HSI)

The Conference agreement includes a new program to boost graduate opportunities for Hispanics. Under the new graduate HSI program, the Secretary is authorized to award grants to institutions that offer graduate degrees to enable the institutions to purchase, rent or lease equipment; construct, maintain or renovate classrooms, labs and libraries; purchase books, journals, etc; provide graduate students with fellowships, scholarships and academic support; or support faculty exchanges, etc.

TITLE VI: INTERNATIONAL EDUCATION PROGRAMS

Title VI of the HEA authorizes grant programs designed to produce increased numbers of graduates who are trained in foreign language and international studies, including providing access to research and

training overseas and coordinating federal programs of foreign language, area studies and other international studies.

Title VI also supports and coordinates with other federal programs in the areas of foreign language, area studies and other international affairs. Specifically, Title VI currently provides support through the following programs:

- International and Foreign Language Studies;
- Business and International Education Programs; and
- The Institute for International Public Policy.

Changes in the Conference agreement:

Graduate and undergraduate language and area centers and programs

The Conference agreement promotes linkages between two and four year colleges as well as partnerships between local education agencies and individual schools.

Promoting foreign service

The Conference agreement aims to increase the participation of underrepresented populations in the international service arena by encouraging collaboration with HBCUs and other MSIs.

Early foreign language instruction

The Conference agreement establishes grants for foreign language partnerships between local school districts and foreign language departments at institutions of higher education.

Foreign languages and technology

The Conference agreement includes grants to institutions of higher education to develop programs for the teaching of foreign languages.

Federal marketing campaign

The Conference agreement includes a marketing campaign to encourage high school students to study foreign languages.

Reporting

The Conference agreement includes a reporting requirement by title VI recipients of any funds provided by foreign governments or entities, in excess of \$250,000, consistent with requirements under section 117 of the Act.

TITLE VII: GRADUATE AND POSTSECONDARY IMPROVEMENT PROGRAMS

Title VII, Part A of the HEA authorizes graduate fellowship programs to attract students of superior ability and achievement, exceptional promise and demonstrated financial need into high-quality graduate programs with the financial support necessary to complete advanced degrees. These funds sustain and support the capacity for graduate education in areas of national need and encourage students to pursue scholarly careers in the humanities, social sciences and the arts; and, to promote postsecondary programs.

Changes in the Conference agreement:

Jacob K. Javits fellowships

These fellowships are awarded to students of superior ability selected on the basis of demonstrated achievement, financial need, and exceptional promise for graduate study in the arts, humanities, and social sciences. The fellowships are awarded to students who are eligible to receive any grant, loan, or work assistance, and who intend to pursue a doctoral degree. The Conference agreement includes clarifications with respect to stipends and allowances.

Thurgood Marshall Legal Education Opportunity Program

This program provides stipends, preparation, and information to low-income, minority, or disadvantaged college students to gain access to and complete law school study. The conference agreement includes provisions to allow for early outreach and collaboration with local education agencies.

Fund for the Improvement of Postsecondary Education (FIPSE)

The Secretary is authorized to make grants to, or enter into contracts with, institutions of higher education, combinations of such institutions, and other public and private nonprofit institutions and agencies, to enable grantees to improve postsecondary education opportunities. The Conference agreement includes several new initiatives in FIPSE, as follows:

- ü a scholarship program for family members of veterans or members of the military;
- ü a demonstration program for homeless youth and those in foster care;
- ü programs aimed at ensuring the success of non-traditional students in postsecondary education;
- ü the establishment of a center for best practices to support single parent students; and,
- ü support for research and collaboration with relevant entities to ensure against medical errors.

Students with disabilities

The Conference agreement includes several initiatives aimed at assisting students with disabilities to succeed in postsecondary education, including:

- ü Additional activities authorized under the Programs to Ensure Students with Disabilities Receive a Quality Higher Education, including the development of effective transition practices, improved distance learning strategies, and improvements in the overall accessibility of higher education for students with disabilities;
- ü Establishment of a National Center for Information and Technical Support which will improve the dissemination of best practices related to working with postsecondary students with disabilities, provide information to assist students and their families, and improve the recruitment, retention and completion rates for students with disabilities;
- ü Support for model demonstration programs to help students with intellectual disabilities to succeed in postsecondary education, and a coordinating center to assist these programs.
- ü Model demonstration programs to improve timely access and quality of instructional materials in specialized formats for students with print disabilities, and a commission to study methods to improve the efficient distribution of these materials.

TITLE VIII: ADDITIONAL PROGRAMS

The Conference agreement creates a new title VIII that consists of new programs that recognize the growing challenges that institutions, students and families face in higher education.

Encouraging colleges to keep costs down through innovative methods

The Conference agreement authorizes programs to encourage institutions of higher education to keep tuition costs down and use innovative approaches to do so. These programs include: rewarding institutions for low tuition; cooperative education grants; articulation agreement programs; textbook rental programs; reducing campus-based digital theft; and encouraging institutions to use environmentally-friendly sustainability approaches.

Ensuring that students enter, remain, and graduate from college

The Conference agreement authorizes programs that encourage students, particularly those from traditionally underrepresented groups at institutions in higher education, not only to enter into, but to graduate from college. These programs include: programs to give students early Federal Pell grant award amounts; grants at community colleges to ensure that students needing remedial coursework continue through college; programs that align non-traditional students' academic and career goals; programs for high-need students to make the transition into college; programs to partner institutions and businesses in order to prepare students for employment and career ladders; programs to support students and institutions of higher education in rural areas; and programs to assist minorities to acquire terminal masters or doctoral degrees.

Addressing high need areas

The Conference agreement authorizes programs to address the unique needs in critical areas. These programs include: the development of programs in science, technology, engineering, and mathematics, including a program specifically for Alaska Natives and Native Hawaiians; the creation of a national database of scholarships for STEM fields; support programs for realtime writers and the field of modeling and simulation; the expansion of the capacity of nursing and veterinary programs; programs to support the teaching of American history and the archival of Native Hawaiian history; a center for increasing and promoting digital technologies; and a program to ease the transition of veterans returning from combat zones into higher education.

Supporting Teaching

The Conference agreement authorizes programs to remove barriers for students entering the field of teaching at all levels of education. These programs include: supporting graduates from other fields to enter the field of teaching programs to increase the number of graduates entering early childhood education, and programs to increase the number of qualified nursing faculty. Additionally, the Conference agreement includes the authorization of Teach For America to encourage the recruitment and training of talented undergraduate students to enter into the teaching profession.

Campus safety

Grants to Institutions: The Conference agreement creates a grant program to assist institutions of higher education in developing and implementing state-of-the-art emergency systems and procedures to ensure the safety of all students, faculty and employees, and to improve safety overall on campus.

Model Policies and Procedures and Future Disasters: The Conference agreement also ensures assistance to institutions of higher education in the development of policies, procedures, and practices to be used in the case of an emergency. The Conference agreement requires the Secretary to develop and maintain a disaster plan in preparation for emergencies.

Disaster Relief Loan Program: To ensure that institutions have a steady flow of cash to re-open as soon as possible, the Conference agreement establishes a loan program to be made available to institutions of higher education in the event of a disaster.

TITLE IX: AMENDMENTS TO OTHER LAWS

The Conference agreement also makes changes to the Education for the Deaf Act, the Tribally Controlled College or University Assistance Act, the Higher Education Amendment of 1998 and 1992, Justice Department Programs, and the Stevenson-Wydler Technology Innovation Act of 1980.

Changes in the Conference agreement:

Education for the Deaf Act

The Conference agreement amends the Education for the Deaf Act to include requirements that the elementary and secondary schools operated by Gallaudet University adopt academic achievement standards, assessments and adequate yearly progress measures consistent with the No Child Left Behind Act. Tuition surcharges for international students at Gallaudet and National Technical Institute for the Deaf are also adjusted to allow for a sliding scale based upon student need and for reductions in costs for students from developing countries.

Tribally Controlled College or University Assistance Act

The Conference agreement adds a new title to the Tribally Controlled Colleges Act to allow for the designation of tribal colleges focused on technical and vocational education. This title also replaces a program at the Department of Interior.

Higher Education Amendments of 1998 and 1992

The Conference agreement modifies the grants to states for workplace and community transition training for incarcerated youth offenders to allow programs to serve offenders under the age of 35 and who will be released within 7 years.

The Conference agreement reauthorizes programs including the Underground Railroad and Olympic scholarships.

Deputy Assistant Secretary, International and Foreign Language Education

The Conference agreement establishes a Deputy Assistant Secretary position under the Office of Postsecondary Education charged with overseeing international and foreign language education.

Justice Department Programs

The Conference agreement includes the Department of Justice public defenders loan forgiveness program. Additionally, the Conference agreement allows individuals who are employed by a government agency to receive loan forgiveness from an institution of higher education for their public service.

Stevenson-Wydler Technology Innovation Act of 1980

The Conference agreement includes the establishment of the Minority Serving Institution Digital and Wireless Technology program, within the Department of Commerce, which provides funds to MSIs to integrate technology into campus activities and ensure that students have access to technology.

TITLE X: PRIVATE STUDENT LOAN TRANSPARENCY AND IMPROVEMENT

Title X's private student loan provisions require lenders to follow certain terms and procedures when soliciting or making private loans for postsecondary education expenses and provides for enhanced consumer disclosures with respect to private education loans. It directs the Board of Governors of the Federal Reserve and other financial regulatory agencies to issue regulations implementing the new

standards. It also requires the Department of the Treasury to undertake efforts to enhance financial literacy among students.

Borrower Self-Certification

The conference agreement includes a requirement that before a private educational lender may issue a private education loan, the lender shall obtain from the prospective borrower a form on which the borrower provides and certifies certain information including (1) the enrollment status of the borrower, (2) the borrower's cost of attendance, and (3) difference between the borrower's cost of attendance and the borrower's estimated financial assistance received under title IV of the Higher Education Act of 1965 and other assistance known to the institution. The agreement also includes a requirement that the Secretary of Education, in consultation with Federal Reserve officials, develop the borrower self-certification form. Borrowers will obtain the self-certification form from their institution of higher education, and institutions of higher education are required to provide borrowers the information needed to complete the form.

Gift ban

The conference agreement prohibits private educational lenders from offering or providing gifts to higher education institutions or their officers and employees in exchange for any advantage to the lender in its loan activities. The agreement includes provisions that provide that philanthropic contributions to an educational institution from a private educational lender that are unrelated to education loans do not violate the prohibition of gifts to educational institutions. Similarly, State education grants, scholarships, or financial aid funds administered by or on behalf of a State are not considered "gifts" for purposes of the prohibition of gifts to educational institutions.

Ban on revenue sharing

The conference agreement prohibits lenders from sharing the profits from their loan activities with higher education institutions in exchange for some advantage to the lender in its loan activities, including offering or providing gifts to educational institutions or their employees.

Bans co-branding

The conference agreement prohibits lenders from co-branding their loans with the institution's name, emblem, mascot, or logo in any way that implies a school's endorsement.

Bans prepayment fees and penalties

The conference agreement prohibits private loan lenders from charging borrowers fees for paying off their loans early.

Provides for effective period of approved interest rate and loan terms

The conference agreement requires lenders to give applicants up to thirty days following the approval of a loan to accept it with no changes in terms except an index to determine the interest rate.

Right to cancel

The conference agreement requires lenders to grant borrowers up to three days to change their minds after entering into a loan agreement with a lender.

Financial literacy enhancement

The conference agreement requires the Department of the Treasury to identify and evaluate programs at institutions of higher education that enhance the financial literacy of college students, and subsequently to encourage the implementation of such programs that the department finds to be most effective. The

agreement also allows private education lenders to engage in certain types of financial literacy activities with institutions of higher education, and the students attending such institutions, without violating the prohibition of gifts to educational institutions.

Loan disclosure requirements

The conference agreement requires lenders to make additional disclosures to borrowers at three stages of the loan application process: (1) advertisement or solicitation of loans, (2) approval of loan applications, and (3) consummation of loans.

TITLE X: CONSUMER DISCLOSURES FOR PRIVATE EDUCATION LOANS

	Disclosures required at 3 Stages of Loan Application Process		
	In applications & solicitations	At time of loan approval	At loan consummation
The potential range of rates of interest	ü		
Applicable rate of interest in effect		ü	ü
Whether interest rate is fixed or variable	ü	ü	ü
Limitations on interest rate adjustments	ü	ü	ü
Initial approved principal amount		ü	ü
Co-borrower requirements including changes in interest rates without a co-borrower	ü		
Potential/applicable finance charges, late fees, penalties, & adjustments to principal, based on defaults or late payments, including limitations on the discharge of loans in bankruptcy	ü	ü	ü
Fees or range of fees applicable to loan	ü	ü	ü
Loan term	ü	ü	ü
Whether interest accrues while student is enrolled	ü		
Payment deferral options	ü	ü	ü
General eligibility criteria	ü		
An example of the total cost of the private education loan over the life of the loan, calculated using the principal amount & the maximum rate of interest actually offered by the creditor & calculated with & without interest capitalization, if option exists for postponing interest payments	ü		
Estimate of total repayment amount, at both the interest rate in effect on approval date AND at maximum rate actually offered by the lender and applicable to the borrower, to extent determinable, or if not, good faith estimate		ü	ü
Maximum monthly payment, calculated using the maximum rate of interest actually offered by the lender & applicable to the borrower, to extent determinable, or if not, a good faith estimate		ü	ü
Any principal & interest payments required while student enrolled & interest which will accrue during enrollment		ü	ü
Whether monthly payments are graduated		ü	ü
That school may have school-specific loan benefits & terms not detailed on disclosure form	ü		
That borrower may qualify for Title IV Federal student aid in lieu of or in addition to a non-federal loan	ü	ü	ü
That borrower may obtain information about Title IV aid from their school or at the Department of Education's website	ü	ü	ü
The interest rates available with respect to Title IV aid	ü	ü	ü
That borrower has up to 30 days after application approval & disclosures to accept terms & consummate transaction	ü	ü	
That loan rates & terms may not be changed during the 30 day period (except for changes based on adjustments to the index)	ü	ü	
That, before a private education loan may be consummated, the borrower must obtain from the borrower's school a self-certification form & complete & return the form to the lender	ü		
Statement that borrower may cancel a loan without penalty at any time within 3 business days of the date a loan is made			ü
Such other info has Federal Reserve Board may require	ü	ü	ü

TITLE XI: STUDIES AND REPORTS

The Conference agreement includes studies and reports that aim to study the challenges that institutions, students and families face in higher education as well as the changing landscape of higher education.

Examining Financial Aid

The Conference agreement directs studies to examine aspects of student aid, including: the impact of loan debt on public service; the feasibility of providing loans to less than part-time students; the regional sensitivity of the needs analysis formula; the feasibility of loan repayment through tax withholdings; and non-individual based discrimination in the private loan marketplace.

Institutions of Higher Education

The Conference agreement includes studies on institutional organization, practice, and challenges. The studies include the examination of: foreign medical schools; institutional and State articulation agreements; institutions' compliance with the 90/10 rule; distance education; the cost and benefits of compliance with environmental standards, and institutional endowments. The conference agreement also includes a summit to share sustainability policies.

The Department of Education

The Conference agreement directs studies of programs and policies of the Department of Education, including: the effectiveness and burden of the Integrated Postsecondary Education Data System (IPEDS), the burden of Federal requirements and regulations on institutions of higher education, alternative measurement of degree completion, and the comparability of audits in the Federal student aid programs.

Issues in Higher Education

The Conference agreement also includes studies that examine issues facing higher education, including: post-graduation employment, minority-male achievement, bias in standardized testing, postsecondary education in correctional systems, teaching students with reading disabilities, and the capacity of nursing schools to meet current demands.