

115TH CONGRESS
1ST SESSION

S. 806

To amend the Higher Education Act to ensure College for All.

IN THE SENATE OF THE UNITED STATES

APRIL 3, 2017

Mr. SANDERS (for himself, Ms. HARRIS, Ms. WARREN, Mr. BLUMENTHAL, Mr. MURPHY, and Mrs. GILLIBRAND) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Higher Education Act to ensure College for All.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “College for All Act
5 of 2017”.

1 **TITLE I—FEDERAL-STATE PART-**
 2 **nership to Eliminate Tui-**
 3 **tion and Required Fees**

4 **SEC. 101. FEDERAL-STATE PARTNERSHIP TO ELIMINATE**
 5 **Tuition and Required Fees.**

6 The Higher Education Act of 1965 (20 U.S.C. 1001
 7 et seq.) is amended by adding at the end the following:

8 **“TITLE IX—FEDERAL-STATE**
 9 **PARTNERSHIP TO ELIMINATE**
 10 **Tuition AND Required**
 11 **Fees**

12 **“SEC. 901. GRANT PROGRAM TO ELIMINATE TUITION AND**
 13 **Required Fees at Public Institutions**
 14 **of Higher Education and Tribal Col-**
 15 **leges and Universities.**

16 “(a) DEFINITIONS.—In this section:

17 “(1) AWARD YEAR.—The term ‘award year’ has
 18 the meaning given the term in section 481(a).

19 “(2) COMMUNITY COLLEGE.—The term ‘com-
 20 munity college’ means—

21 “(A) a public institution of higher edu-
 22 cation at which the credential that is predomi-
 23 nantly awarded to students is at the sub-bacca-
 24 laurate level; or

1 “(B) a public postsecondary vocational in-
2 stitution, as defined under section 102(c).

3 “(3) COST OF ATTENDANCE.—The term ‘cost of
4 attendance’ has the meaning given the term in sec-
5 tion 472.

6 “(4) DUAL OR CONCURRENT ENROLLMENT
7 PROGRAM.—The term ‘dual or concurrent enrollment
8 program’ has the meaning given the term in section
9 8101 of the Elementary and Secondary Education
10 Act of 1965.

11 “(5) EARLY COLLEGE HIGH SCHOOL.—The
12 term ‘early college high school’ has the meaning
13 given the term in section 8101 of the Elementary
14 and Secondary Education Act of 1965.

15 “(6) ELIGIBLE INDIAN ENTITY.—The term ‘eli-
16 gible Indian entity’ means the entity responsible for
17 the governance, operation, or control of a Tribal Col-
18 lege or University.

19 “(7) ELIGIBLE STUDENT.—The term ‘eligible
20 student’ means an individual, regardless of age, who
21 has not obtained a baccalaureate degree or higher
22 degree and—

23 “(A) is enrolled, or plans to enroll, in a
24 community college in the State in which the in-

1 dividual is a resident or in a 2-year Tribal Col-
 2 lege or University; or

3 “(B) is a working class or middle class stu-
 4 dent, as described in subsection (d)(3), who is
 5 enrolled or plans to enroll in a 4-year public in-
 6 stitution of higher education in the State in
 7 which the individual is a resident or in a 4-year
 8 Tribal College or University.

9 “(8) FULL-TIME EQUIVALENT ELIGIBLE STU-
 10 DENTS.—The term ‘full-time equivalent eligible stu-
 11 dents’, when used with respect to an institution of
 12 higher education, has the meaning given the term
 13 ‘full-time equivalent students’, except that the cal-
 14 culation shall be made based on the number of eligi-
 15 ble students enrolled at such institution.

16 “(9) FULL-TIME EQUIVALENT STUDENTS.—The
 17 term ‘full-time equivalent students’ means the sum
 18 of the number of students enrolled full time at an
 19 institution, plus the full-time equivalent of the num-
 20 ber of students enrolled part time (determined on
 21 the basis of the quotient of the sum of the credit
 22 hours of all part-time students divided by 12) at
 23 such institution.

1 “(10) INSTITUTION OF HIGHER EDUCATION.—

2 The term ‘institution of higher education’ has the
3 meaning given the term in section 101.

4 “(11) PUBLIC 4-YEAR INSTITUTION OF HIGHER

5 EDUCATION.—The term ‘public 4-year institution of
6 higher education’ means a public institution of high-
7 er education that is not a community college.

8 “(12) TRIBAL COLLEGE OR UNIVERSITY.—The

9 term ‘Tribal College or University’ has the meaning
10 given the term in section 316(b)(3).

11 “(13) 2-YEAR TRIBAL COLLEGE OR UNIVER-

12 SITY.—The term ‘2-year Tribal College or Univer-
13 sity’ means a Tribal College or University at which
14 the credential that is predominantly awarded to stu-
15 dents is at the sub-baccalaureate level.

16 “(14) 4-YEAR TRIBAL COLLEGE OR UNIVER-

17 SITY.—The term ‘4-year Tribal College or Univer-
18 sity’ means a Tribal College or University that is not
19 a 2-year Tribal College or University.

20 “(b) PROGRAM AUTHORIZED.—

21 “(1) GRANTS AUTHORIZED.—From amounts

22 appropriated under subsection (g), the Secretary
23 shall award grants, from allotments under sub-
24 section (c), to States and eligible Indian entities hav-

ing applications approved under subsection (e), to
enable the States and eligible Indian entities—

“(A) to eliminate tuition and required fees
for all eligible students at community colleges
in the State or at 2-year Tribal Colleges and
Universities of the eligible Indian entity; and

“(B) to eliminate tuition and required fees
for working class and middle class eligible stu-
dents, as described in subsection (d)(3), at pub-
lic 4-year institutions of higher education in the
State or 4-year Tribal Colleges and Universities
of the eligible Indian entity.

“(2) NON-FEDERAL SHARE REQUIREMENT.—

“(A) IN GENERAL.—Except as provided in
subparagraph (B), each State or eligible Indian
entity that receives a grant under this section
shall provide a non-Federal share of funds for
an award year from non-Federal sources in an
amount that is equal to 33 percent of the
amount required to eliminate tuition and re-
quired fees—

“(i) in the case of a State, at commu-
nity colleges in the State for all eligible
students and at public 4-year institutions
of higher education in the State for work-

ing class and middle class eligible students,
as described in subsection (d)(3), for the
award year; and

“(ii) in the case of an eligible Indian
entity, at 2-year Tribal Colleges and Uni-
versities of the eligible Indian entity for all
eligible students and at 4-year Tribal Col-
leges and Universities of the eligible Indian
entity for working class and middle class
eligible students, as described in subsection
(d)(3), for the award year.

“(B) NON-FEDERAL SHARE REQUIREMENT
FOR CERTAIN ELIGIBLE INDIAN ENTITIES.—

“(i) IN GENERAL.—In the case of an
eligible Indian entity that receives a grant
under this section for an award year for
which not less than 75 percent of the stu-
dents enrolled in the 2-year Tribal Colleges
and Universities and 4-year Tribal Colleges
and Universities of the eligible Indian enti-
ty are low-income students, such eligible
Indian entity shall provide a non-Federal
share of funds from non-Federal sources in
an amount that is equal to not more than
5 percent of the amount necessary to elimi-

1 nate tuition and required fees at 2-year
 2 Tribal Colleges and Universities of the eli-
 3 gible Indian entity for all eligible students
 4 and at 4-year Tribal Colleges and Univer-
 5 sities of the eligible Indian entity for work-
 6 ing class and middle class eligible students,
 7 as described in subsection (d)(3), for the
 8 award year.

9 “(ii) LOW-INCOME STUDENT.—In this
 10 subparagraph, the term ‘low-income stu-
 11 dent’ has the meaning given such term by
 12 the Secretary, except that such term shall
 13 not exclude any student eligible for a Fed-
 14 eral Pell Grant under section 401.

15 “(iii) DATA.—In calculating the num-
 16 ber of enrolled students and low-income
 17 students for purposes of clause (i), the
 18 Secretary shall use—

19 “(I) for the first award year of
 20 the program under this section, the
 21 number of students enrolled in award
 22 year 2015–2016; and

23 “(II) for each subsequent award
 24 year, the projected student enrollment

1 numbers for the award year for which
2 the allotment is made.

3 “(3) NO IN-KIND CONTRIBUTIONS.—No in-kind
4 contribution shall count toward the non-Federal
5 share requirement under paragraph (2).

6 “(c) DETERMINATION OF ALLOTMENT.—

7 “(1) FIRST AWARD YEAR OF PROGRAM.—The
8 Secretary shall allot, to each eligible State or eligible
9 Indian entity that submits an application under this
10 section for a grant under subsection (b)(1) for the
11 first award year of the program under this section,
12 an amount that is equal to 67 percent (or not less
13 than 95 percent in the case of an eligible Indian en-
14 tity described in subsection (b)(2)(B)) of the total
15 revenue received—

16 “(A) in the case of a State, from all eligi-
17 ble students at community colleges in the State
18 and from working class and middle class eligible
19 students, as described in subsection (d)(3), at
20 public 4-year institutions of higher education in
21 the State in the form of tuition and required
22 fees for—

23 “(i) with respect to a State that did
24 not eliminate tuition and required fees as
25 described in paragraphs (2) and (3) of

subsection (d) for the preceding award year, award year 2015–2016; or

“(ii) with respect to a State that has eliminated tuition and required fees as described in such paragraphs, the last award year that the State charged tuition and required fees; and

“(B) in the case of an eligible Indian entity, from all eligible students at 2-year Tribal Colleges and Universities of the eligible Indian entity and from working class and middle class eligible students, as described in subsection (d)(3), at 4-year Tribal Colleges and Universities of the eligible Indian entity, in the form of tuition and required fees for—

“(i) with respect to an eligible Indian entity that did not eliminate tuition and required fees as described in paragraphs (2) and (3) of subsection (d) for the preceding award year, award year 2015–2016; or

“(ii) with respect to an eligible Indian entity that has eliminated tuition and required fees as described in such paragraphs, the last award year for which the

1 eligible Indian entity charged tuition and
2 required fees.

3 “(2) FIRST AWARD YEAR ALLOTMENT FOR
4 STATES AND ELIGIBLE INDIAN ENTITIES APPLYING
5 AFTER THE FIRST YEAR OF THE PROGRAM.—

6 “(A) IN GENERAL.—The Secretary shall
7 allot to each eligible State or eligible Indian en-
8 tity that submits its first application for a
9 grant under subsection (b)(1) for the second or
10 a subsequent year of the program under this
11 section, an amount equal to—

12 “(i) the product of—

13 “(I) the allotment the eligible
14 State or eligible Indian entity would
15 have received in the first award year
16 of the program under this section if
17 the State or eligible Indian entity had
18 submitted an application for such
19 year;

20 “(II) the projected full-time
21 equivalent eligible students figure for
22 all community colleges and public 4-
23 year institutions of higher education
24 of the eligible State, or all 2-year
25 Tribal Colleges and Universities and

1 4-year Tribal Colleges and Univer-
2 sities of the eligible Indian entity, for
3 the award year for which the allot-
4 ment is made; and

5 “(III) the amount of additional
6 expenditures per full-time equivalent
7 eligible student by the eligible State or
8 eligible Indian entity that will be nec-
9 essary to eliminate tuition and re-
10 quired fees for each such student for
11 the award year for which the allot-
12 ment is made; divided by

13 “(ii) the product of—

14 “(I) the full-time equivalent eligi-
15 ble students figure for all community
16 colleges and public 4-year institutions
17 of higher education of the eligible
18 State, or all 2-year Tribal Colleges
19 and Universities and 4-year Tribal
20 Colleges and Universities of the eligi-
21 ble Indian entity, for the first award
22 year of the program for which the eli-
23 gible State or eligible Indian entity
24 was eligible to submit an application
25 under this section; and

1 “(II) the amount of expenditures
2 per full-time equivalent eligible stu-
3 dent by the eligible State or eligible
4 Indian entity that would have been
5 necessary to eliminate tuition and re-
6 quired fees for each such student for
7 the first award year of the program
8 for which the eligible State or eligible
9 Indian entity was eligible to submit an
10 application under this section.

11 “(B) PROJECTED ENROLLMENT.—If the
12 projected full-time equivalent eligible students
13 figure of the State or eligible Indian entity
14 under subparagraph (A) is more than 25 per-
15 cent larger than the full-time equivalent eligible
16 students figure for the preceding year, the Sec-
17 retary may challenge such enrollment projection
18 and offer an alternative enrollment projection
19 which shall be used in the formula under sub-
20 paragraph (A) for determining the allotment.

21 “(3) SUBSEQUENT AWARD YEARS.—

22 “(A) IN GENERAL.—The Secretary shall
23 allot to an eligible State or eligible Indian entity
24 submitting an application for a grant under
25 subsection (b)(1) for a second or subsequent

1 year after receiving a grant under paragraph
2 (1) or (2), an amount equal to—

3 “(i) the product of—

4 “(I) the allotment received for
5 the first award year for which the eli-
6 gible State or eligible Indian entity
7 submitted an application;

8 “(II) the projected full-time
9 equivalent eligible students figure for
10 all community colleges and public 4-
11 year institutions of higher education
12 of the eligible State, or all 2-year
13 Tribal Colleges and Universities and
14 4-year Tribal Colleges and Univer-
15 sities of the eligible Indian entity, for
16 the award year for which the allot-
17 ment is made; and

18 “(III) the amount of additional
19 expenditures per full-time equivalent
20 eligible student by the eligible State or
21 eligible Indian entity that will be nec-
22 essary to eliminate tuition and re-
23 quired fees for each such student for
24 the award year for which the allot-
25 ment is made; divided by

1 “(ii) the product of—

2 “(I) the full-time equivalent eligi-
3 ble student figure for all community
4 colleges and public 4-year institutions
5 of higher education of the eligible
6 State, or all 2-year Tribal Colleges
7 and Universities and 4-year Tribal
8 Colleges and Universities of the eligi-
9 ble Indian entity, for the first award
10 year that the State or eligible Indian
11 entity participates under paragraph
12 (1) or (2), as the case may be; and

13 “(II) the amount of expenditures
14 per full-time equivalent eligible stu-
15 dent by the eligible State or eligible
16 Indian entity that was necessary to
17 eliminate tuition and required fees for
18 each such student for the first award
19 year that the State or eligible Indian
20 entity participates under paragraph
21 (1) or (2), as the case may be.

22 “(B) PROJECTED ENROLLMENT.—If the
23 projected full-time equivalent eligible students
24 figure of the State or eligible Indian entity
25 under subparagraph (A) is more than 25 per-

cent larger than the full-time equivalent eligible students figure for the preceding year, the Secretary may challenge such enrollment projection and offer an alternative enrollment projection which shall be used in the formula under subparagraph (A) for determining the allotment.

“(4) ACTUAL ENROLLMENT FIGURES.—

“(A) IN GENERAL.—By not later than November 1 of the second award year for which a State or eligible Indian entity receives an allotment under this section, and each succeeding November 1, such State or eligible Indian entity shall report to the Secretary its actual full-time equivalent eligible students figure for the preceding award year.

“(B) ADJUSTMENTS.—If the actual full-time equivalent eligible students figure for the preceding award year reported under subparagraph (A)—

“(i) exceeds the projected enrollment that was used for determining the allotment for the preceding award year, notwithstanding any other provision of this section, the allotment for the award year in which the November 1 date falls for the

1 State or eligible Indian entity shall be in-
2 creased to reflect such actual enrollment,
3 which figure shall be increased by the
4 State Gross Domestic Product Price Index,
5 or the Gross Domestic Product Price Index
6 of the State in which the eligible Indian
7 entity operates; or

8 “(ii) is below the projected enrollment
9 that was used for determining the allot-
10 ment for the preceding award year, not-
11 withstanding any other provision of this
12 section, the allotment for the award year in
13 which the November 1 date falls for the
14 State or eligible Indian entity shall be de-
15 creased to reflect such actual enrollment,
16 which figure shall be increased by the aver-
17 age interest rate on 5-year United States
18 Treasury securities issued during the pre-
19 ceding award year.

20 “(5) ADDITIONAL FUNDS.—If a State or eligi-
21 ble Indian entity provides additional funds toward
22 reducing the cost of attendance and improving in-
23 struction at institutions of higher education beyond
24 the cost of eliminating tuition and required fees as
25 described in paragraphs (2) and (3) of subsection

1 (d) for any award year that is more than the non-
 2 Federal share requirement under subsection (b)(2)
 3 and the maintenance of expenditures requirement
 4 under paragraphs (4) and (5) of subsection (d), the
 5 Secretary shall provide to the State or eligible In-
 6 dian entity an amount equal to such additional fund-
 7 ing provided by the State or eligible Indian entity,
 8 which amount provided by the Secretary may be
 9 used for the activities described in subsection (f)(2).

10 “(d) STATE AND ELIGIBLE INDIAN ENTITY ELIGI-
 11 BILITY REQUIREMENTS.—In order to be eligible to receive
 12 an allotment under this section for an award year, a State
 13 or eligible Indian entity shall comply with the following:

14 “(1) Ensure that public institutions of higher
 15 education in the State or Tribal Colleges and Uni-
 16 versities of the eligible Indian entity maintain ex-
 17 penditures on instruction per full-time equivalent
 18 student at levels that are equal to or exceed the ex-
 19 penditures on instruction per full-time equivalent
 20 student for award year 2015–2016.

21 “(2) Ensure that tuition and required fees for
 22 eligible students in the State’s community college
 23 system or eligible students in the 2-year Tribal Col-
 24 leges and Universities of the eligible Indian entity
 25 are eliminated.

1 “(3)(A) Ensure that tuition and required fees
2 for eligible students attending the State’s public 4-
3 year institutions of higher education or eligible stu-
4 dents attending the 4-year Tribal Colleges and Uni-
5 versities of the eligible Indian entity are eliminated
6 as follows:

7 “(i) For the first award year of the pro-
8 gram under this section, the State or eligible
9 Indian entity shall eliminate tuition and re-
10 quired fees for such students—

11 “(I) who are dependent students,
12 whose parents’ adjusted gross income for
13 the taxable year that is 1 year prior to the
14 taxable year that ends immediately prior to
15 the beginning of the award year is equal to
16 or less than \$125,000; and

17 “(II) who are independent students,
18 whose adjusted gross income for the tax-
19 able year that is 1 year prior to the taxable
20 year that ends immediately prior to the be-
21 ginning of the award year is equal to or
22 less than \$125,000.

23 “(ii) For each award year after the first
24 award year of the program under this section,
25 the State or eligible Indian entity shall elimi-

1 nate tuition and required fees for such stu-
2 dents—

3 “(I) who are dependent students,
4 whose parents’ adjusted gross income for
5 the taxable year that is 1 year prior to the
6 taxable year that ends immediately prior to
7 the beginning of the award year is equal to
8 or less than the applicable amount; and

9 “(II) who are independent students,
10 whose adjusted gross income for the tax-
11 able year that is 1 year prior to the taxable
12 year that ends immediately prior to the be-
13 ginning of the award year is equal to or
14 less than the applicable amount.

15 “(B)(i) In this paragraph, the term ‘applicable
16 amount’ means an amount equal to, for any award
17 year beginning after the calendar year that precedes
18 the calendar year in which the first award year of
19 the program under this section begins, the greater
20 of—

21 “(I) the amount determined under this
22 subparagraph for the preceding award year, or

23 “(II) an amount equal to the product of—

24 “(aa) \$125,000, and

25 “(bb) the ratio of—

1 “(AA) the national average wage
 2 index (as defined in section 209(k)(1)
 3 of the Social Security Act (42 U.S.C.
 4 409(k)(1))) for the calendar year pre-
 5 ceding the calendar year in which the
 6 applicable award year begins, to

7 “(BB) the national average wage
 8 index (as so defined) for 2016.

9 “(ii) If any amount determined under clause (i)
 10 is not a multiple of \$100, such amount shall be
 11 rounded to the nearest multiple of \$100.

12 “(4) Maintain State operating expenditures per
 13 full-time equivalent student for public institutions of
 14 higher education in the State, or operating expendi-
 15 tures per full-time equivalent student for Tribal Col-
 16 leges and Universities of the eligible Indian entity,
 17 excluding the amount of funds provided under this
 18 section, at a level that is equal to or exceeds the
 19 level of such support for award year 2015–2016.

20 “(5) Maintain State expenditures on need-based
 21 financial aid programs for enrollment in public insti-
 22 tutions of higher education in the State or expendi-
 23 tures on need-based financial aid programs for en-
 24 rollment in Tribal Colleges and Universities of the
 25 eligible Indian entity at a level that is equal to or

1 exceeds the level of such support for award year
2 2015–2016.

3 “(6) Ensure public institutions of higher edu-
4 cation in the State or Tribal Colleges and Univer-
5 sities of the eligible Indian entity maintain funding
6 for institutional need-based student financial aid in
7 an amount that is equal to or exceeds the level of
8 such support for award year 2015–2016.

9 “(7) Provide an assurance that not later than
10 5 years after the first award year for which the
11 grant is awarded, not less than 75 percent of in-
12 struction at public institutions of higher education in
13 the State or Tribal Colleges and Universities of the
14 eligible Indian entity is provided by tenured or ten-
15 ure-track faculty.

16 “(8) Require that public institutions of higher
17 education in the State or Tribal Colleges and Uni-
18 versities of the eligible Indian entity provide, for
19 each student enrolled at the institution who receives
20 the maximum Federal Pell Grant award under sub-
21 part 1 of part A of title IV, institutional student fi-
22 nancial aid (excluding student loans) in an amount
23 equal to 100 percent of the difference between—

24 “(A) the cost of attendance at such institu-
25 tion; and

1 “(B) the sum of—

2 “(i) the amount of the maximum Fed-
3 eral Pell Grant award; and

4 “(ii) the student’s expected family
5 contribution.

6 “(9) Ensure that public institutions of higher
7 education in the State or Tribal Colleges and Uni-
8 versities of the eligible Indian entity not adopt poli-
9 cies to reduce enrollment.

10 “(10) Provide an assurance that public institu-
11 tions of higher education in the State or Tribal Col-
12 leges and Universities of the eligible Indian entity
13 will not charge out of State students an amount that
14 exceeds the marginal cost of attending institutions of
15 higher education in the State or Tribal Colleges and
16 Universities of the eligible Indian entity.

17 “(11) Provide an assurance that public institu-
18 tions of higher education in the State or Tribal Col-
19 leges and Universities of the eligible Indian entity
20 that charge non-eligible in-State students tuition and
21 required fees, will not charge such students a rate
22 that exceeds the rate for the last year that tuition
23 and required fees were charged to eligible students,
24 increased by the percentage change for subsequent
25 years in the expenditures per full-time equivalent eli-

1 gible student by the State or eligible entity that is
 2 necessary to continue to eliminate tuition and re-
 3 quired fees for eligible students.

4 “(e) SUBMISSION AND CONTENTS OF APPLICA-
 5 TION.—For each award year for which a State or eligible
 6 Indian entity desires a grant under this section, an appli-
 7 cation shall be submitted to the Secretary at such time,
 8 in such manner, and containing such information as the
 9 Secretary may require. Such application shall be sub-
 10 mitted by—

11 “(1) in the case of a State, the State agency
 12 with jurisdiction over higher education or another
 13 agency designated by the Governor or chief executive
 14 of the State to administer the program under this
 15 section; and

16 “(2) in the case of an eligible Indian entity, the
 17 eligible Indian entity or a Tribal College or Univer-
 18 sity of the eligible Indian entity.

19 “(f) USE OF FUNDS.—

20 “(1) IN GENERAL.—A State or eligible Indian
 21 entity that receives a grant under this section shall
 22 use the grant funds and the non-Federal share
 23 funds required under this section—

24 “(A) to eliminate tuition and required fees
 25 for all eligible students at community colleges

1 in the State or at 2-year Tribal Colleges and
2 Universities of the eligible Indian entity; and

3 “(B) to eliminate tuition and required fees
4 for working class and middle class eligible stu-
5 dents, as described in subsection (d)(3), at pub-
6 lic 4-year institutions of higher education in the
7 State or 4-year Tribal Colleges and Universities
8 of the eligible Indian entity.

9 “(2) ADDITIONAL FUNDING.—Once tuition and
10 required fees have been eliminated pursuant to para-
11 graph (1), a State or eligible Indian entity that re-
12 ceives a grant under this section shall use any re-
13 maining grant funds and non-Federal share funds
14 required under this section to reduce the cost of at-
15 tendance and increase the quality of instruction and
16 student support services at public institutions of
17 higher education in the State or at Tribal Colleges
18 and Universities of the eligible Indian entity by car-
19 rying out any of the following:

20 “(A) Providing additional non-loan aid to
21 students, which may include need-based student
22 financial aid, to reduce or eliminate the cost of
23 attendance for a public institution of higher
24 education or a Tribal College or University be-
25 yond eliminating tuition and required fees.

1 “(B) Expanding academic course offerings
2 and high-quality occupational skills training
3 programs to students.

4 “(C) Increasing the number and percent-
5 age of full-time instructional faculty, including
6 full-time tenure and tenure-track instructional
7 faculty.

8 “(D) Providing all faculty with profes-
9 sional supports to help students succeed, such
10 as professional development opportunities, office
11 space, and shared governance in the institution.

12 “(E) Compensating part-time faculty for
13 work done outside of the classroom relating to
14 instruction, such as holding office hours.

15 “(F) Strengthening and ensuring all stu-
16 dents have access to student support services
17 such as academic advising, counseling, and tu-
18 toring.

19 “(G) Expanding access to dual or concur-
20 rent enrollment programs and early college high
21 school programs.

22 “(H) Any other additional activities that
23 improve instructional quality and academic out-
24 comes for students as approved by the Sec-
25 retary through a peer review process.

1 “(3) PROHIBITION.—A State or eligible Indian
 2 entity that receives a grant under this section may
 3 not use grant funds or non-Federal share funds re-
 4 quired under this section—

5 “(A) for the construction of a nonacademic
 6 facility, such as a student center or stadium;

7 “(B) for merit-based student financial aid;

8 “(C) for need-based student financial aid
 9 (except to the extent funds available under sub-
 10 section (c)(5) are used to carry out paragraph
 11 (2)(A));

12 “(D) to pay the salaries or benefits of
 13 school administrators;

14 “(E) for capital outlays or deferred main-
 15 tenance; or

16 “(F) for expenditures on athletics other
 17 than activities open to all members of the cam-
 18 pus community.

19 “(g) AUTHORIZATION OF APPROPRIATIONS.—

20 “(1) IN GENERAL.—There are authorized to be
 21 appropriated, and there are appropriated, to carry
 22 out this section—

23 “(A) such sums as may be necessary for
 24 the fourth quarter of fiscal year 2017;

1 “(B) \$41,000,000,000 for fiscal year 2018;

2 and

3 “(C) such sums as may be necessary for
4 each of the fiscal years 2019 through 2027.

5 “(2) AVAILABILITY OF FUNDS.—Funds made
6 available pursuant to paragraph (1)(A) shall be
7 available for obligation from October 1, 2016 to Sep-
8 tember 30, 2017. Funds made available pursuant to
9 subparagraph (B) or (C) of paragraph (1) shall be
10 available for obligation through September 30 of the
11 fiscal year succeeding the fiscal year for which such
12 sums were appropriated.

13 **“SEC. 902. GRANT PROGRAM FOR PRIVATE HISTORICALLY**
14 **BLACK COLLEGES AND UNIVERSITIES AND**
15 **PRIVATE MINORITY-SERVING INSTITUTIONS.**

16 “(a) DEFINITIONS.—Except as otherwise provided, in
17 this section:

18 “(1) COMMUNITY COLLEGE.—The term ‘com-
19 munity college’ has the meaning given the term in
20 section 901.

21 “(2) ELIGIBLE INSTITUTION.—

22 “(A) IN GENERAL.—Except as provided in
23 subparagraph (D), the term ‘eligible institution’
24 means a private, nonprofit 2-year institution or
25 4-year institution that—

1 “(i) is—

2 “(I) a part B institution (as de-
3 fined in section 322);

4 “(II) a Hispanic-serving institu-
5 tion (as defined in section 502);

6 “(III) a Tribal College or Univer-
7 sity (as defined in section 316) whose
8 entity responsible for the governance,
9 operation, or control of the College or
10 University has not received a grant
11 under section 901;

12 “(IV) an Alaska Native-serving
13 institution or a Native Hawaiian-serv-
14 ing institution (as defined in section
15 317(b));

16 “(V) a Predominantly Black in-
17 stitution (as defined in section
18 371(c));

19 “(VI) an Asian American and
20 Native American Pacific Islander-
21 serving institution (as defined in sec-
22 tion 371(c)); or

23 “(VII) a Native American-serving
24 nontribal institution (as defined in
25 section 371(c));

1 “(ii) has a student body of which not
2 less than 35 percent are low-income stu-
3 dents;

4 “(iii) ensures that tuition and re-
5 quired fees for eligible students enrolled in
6 the institution are eliminated or signifi-
7 cantly reduced during any period for which
8 the institution receives a grant under this
9 section;

10 “(iv) maintains expenditures on in-
11 struction per a full-time equivalent eligible
12 student at levels that meet or exceed the
13 expenditures on instruction per a full-time
14 equivalent eligible student for award year
15 2015–2016;

16 “(v) will invest institutional funds and
17 seek additional funding to reduce or elimi-
18 nate tuition and required fees for all stu-
19 dents;

20 “(vi) maintains expenditures on need-
21 based financial aid programs for students
22 enrolled at the institution at a level that
23 meets or exceeds the level of such support
24 for award year 2015–2016;

1 “(vii) provides an assurance that the
 2 institution will increase the amount of in-
 3 struction provided by tenured or tenure-
 4 track faculty; and

5 “(viii) does not adopt policies to re-
 6 duce enrollment.

7 “(B) 2-YEAR INSTITUTION.—The term ‘2-
 8 year institution’ means an institution at which
 9 the credential that is predominantly awarded to
 10 students is at the sub-baccalaureate level.

11 “(C) 4-YEAR INSTITUTION.—The term ‘4-
 12 year institution’ means an institution that is
 13 not a 2-year institution.

14 “(D) EXCEPTION.—

15 “(i) IN GENERAL.—An eligible institu-
 16 tion as described in subparagraph (A) shall
 17 not be an eligible institution for purposes
 18 of this section for the period described in
 19 clause (ii) if such institution was a for-
 20 profit institution at any time that con-
 21 verted to a nonprofit institution.

22 “(ii) PERIOD OF INELIGIBILITY.—An
 23 institution described under clause (i) shall
 24 not be an eligible institution for purposes
 25 of this section for a period of 25 years

1 from the date the institution converted
2 from a for-profit institution to a nonprofit
3 institution or 25 years after the date of en-
4 actment of this Act, whichever period is
5 longer.

6 “(3) ELIGIBLE STUDENT.—The term ‘eligible
7 student’ means a low-income student enrolled in an
8 eligible institution who has not obtained a bacca-
9 laurate degree or a higher degree.

10 “(4) FULL-TIME EQUIVALENT ELIGIBLE STU-
11 DENTS.—The term ‘full-time equivalent eligible stu-
12 dents’ means the sum of the number of eligible stu-
13 dents projected to enroll full time at an institution
14 for an award year, plus the full-time equivalent of
15 the number of eligible students projected to be en-
16 rolled part time (determined on the basis of the
17 quotient of the sum of the credit hours of all part-
18 time eligible students divided by 12) at such institu-
19 tion, for such award year.

20 “(5) LOW-INCOME STUDENT.—The term ‘low-
21 income student’ has the meaning given such term by
22 the Secretary, except that such term shall not ex-
23 clude any student eligible for a Federal Pell Grant
24 under section 401.

1 “(6) PUBLIC 4-YEAR INSTITUTION OF HIGHER
2 EDUCATION.—The term ‘public 4-year institution of
3 higher education’ has the meaning given the term in
4 section 901.

5 “(b) AUTHORIZATION OF GRANT PROGRAM.—

6 “(1) IN GENERAL.—From amounts appro-
7 priated under subsection (e), the Secretary shall
8 award grants, from allotments under paragraph (2),
9 to eligible institutions having applications approved
10 under subsection (c), to enable the eligible institu-
11 tions to eliminate or significantly reduce tuition and
12 required fees for eligible students.

13 “(2) ALLOTMENTS.—Subject to paragraph (3),
14 the Secretary shall allot, for each award year, to
15 each eligible institution having an application ap-
16 proved under subsection (c), an amount that is equal
17 to the product of—

18 “(A) tuition and required fees for eligible
19 students at the eligible institution for the award
20 year, and

21 “(B) the number of full-time equivalent eli-
22 gible students projected to enroll in the eligible
23 institution for the award year.

24 “(3) LIMITATIONS.—

“(A) LIMITATIONS ON INSTITUTIONAL ALLOTMENTS.—In making allotments under paragraph (2) for an award year, the Secretary shall not award an allotment that is—

“(i) with respect to an eligible institution that operates in a State that has eliminated tuition and required fees as described in paragraphs (2) and (3) of section 901(d) for the preceding award year, more than the amount equal to the product of—

“(I) the number of projected full-time equivalent eligible students for the award year; and

“(II) the expenditures per full-time equivalent eligible student, including the Federal allotment and non-Federal share, under section 901 for the preceding award year for the State (or, in the case of a State that did not receive a grant under such section for the preceding award year, the amount needed to eliminate tuition and required fees for full-time equivalent eligible students in the

1 State, calculated in the same manner
2 as such amount is calculated under
3 section 901(c) for the preceding
4 award year for the State), at—

5 “(aa) if the eligible institu-
6 tion is a 2-year institution, com-
7 munity colleges in the State in
8 which the institution operates; or

9 “(bb) if the eligible institu-
10 tion is a 4-year institution, public
11 4-year institutions of higher edu-
12 cation in the State in which the
13 institution operates; and

14 “(ii) with respect to an eligible insti-
15 tution that operates in a State that has
16 not eliminated tuition and required fees as
17 described in paragraphs (2) and (3) of sec-
18 tion 901(d) for the preceding award year,
19 more than the amount equal to the product
20 of—

21 “(I) the number of projected full-
22 time equivalent eligible students for
23 the award year; and

“(II) the average tuition and required fees for the preceding award year at—

“(aa) if the eligible institution is a 2-year institution, public 2-year institutions of higher education in the State in which the institution operates; or

“(bb) if the eligible institution is a 4-year institution, public 4-year institutions of higher education in the State in which the institution operates.

“(B) LIMITATIONS ON TUITION HIKES.—

“(i) FIRST AWARD YEAR.—For the first award year for which an eligible institution applies for a grant under this section, such eligible institution shall not increase tuition and required fees at a rate that is greater than any annual increase in tuition and required fees at the eligible institution for the 5 years preceding such first award year.

“(ii) SUCCEEDING AWARD YEARS.—

1 “(I) IN GENERAL.—For each
2 award year after the first award year
3 for which an eligible institution re-
4 ceives a grant under this section, such
5 eligible institution shall not increase
6 tuition and required fees for eligible
7 students from the preceding award
8 year at a rate that is greater than the
9 percentage increase in the Employ-
10 ment Cost Index for the award year
11 for which the grant is received, as
12 compared to the Employment Cost
13 Index for the award year preceding
14 the award year for which the grant is
15 received.

16 “(II) EMPLOYMENT COST
17 INDEX.—In this subparagraph, the
18 term ‘Employment Cost Index’, when
19 used with respect to an award year,
20 means the Employment Cost Index
21 for total compensation for private in-
22 dustry workers by bargaining status
23 and census region and division (not
24 seasonally adjusted) of the division in
25 which the eligible entity is located, as

provided by the Bureau of Labor Statistics of the Department of Labor, that is provided for the December that immediately precedes the start of the award year.

“(4) ACTUAL ENROLLMENT FIGURES.—

“(A) IN GENERAL.—By not later than November 1 of the second award year for which an eligible institution receives a grant under this section, such eligible institution shall report to the Secretary its actual full-time equivalent eligible students figure for the preceding award year.

“(B) ADJUSTMENTS.—If the actual full-time equivalent eligible students figure for the preceding award year reported under subparagraph (A)—

“(i) exceeds the projected enrollment that was used for determining the allotment under subparagraph (2)(B) for the preceding award year, notwithstanding any other provision of this Act, the allotment for the award year in which the November 1 date falls for the eligible institution shall be increased to reflect such actual enroll-

ment, which figure shall be increased by the Gross Domestic Product Price Index of the State in which the eligible institution operates; or

“(ii) is below the projected enrollment that was used for determining the allotment under subparagraph (2)(B) for the preceding award year, notwithstanding any other provision of this Act, the allotment for the award year in which the November 1 date falls for the eligible institution shall be decreased to reflect such actual enrollment, which figure shall be increased by the average interest rate on 5-year United States Treasury securities issued during the preceding award year.

“(c) APPLICATION.—An eligible institution that desires to receive a grant under this section shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

“(d) PROHIBITION.—An eligible institution that receives a grant under this section may not use grant funds under this section—

1 “(1) for the construction of a nonacademic fa-
2 cility, such as a student center or stadium;

3 “(2) for merit-based or need-based student fi-
4 nancial aid;

5 “(3) to pay the salaries or benefits of school ad-
6 ministrators;

7 “(4) for capital outlays or deferred mainte-
8 nance; or

9 “(5) for expenditures on athletics other than
10 activities open to all members of the campus com-
11 munity.

12 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
13 are authorized to be appropriated, and there are appro-
14 priated, to carry out this section—

15 “(1) such sums as may be necessary for the
16 fourth quarter of fiscal year 2017;

17 “(2) \$1,340,000,000 for fiscal year 2018; and

18 “(3) such sums as may be necessary for each
19 of the fiscal years 2019 through 2027.”.

20 **SEC. 102. INCREASING SUCCESS FOR LOW-INCOME AND**
21 **FIRST GENERATION STUDENTS.**

22 (a) AUTHORIZATION OF APPROPRIATIONS FOR FED-
23 ERAL TRIO PROGRAMS.—Section 402A(g) of the Higher
24 Education Act of 1965 (20 U.S.C. 1070a–11(g)) is
25 amended by inserting after the first sentence the fol-

1 lowing: “For the purpose of making grants and contracts
 2 under this chapter, there are authorized to be appro-
 3 priated \$1,080,000,000 for fiscal year 2018,
 4 \$1,260,000,000 for fiscal year 2019, \$1,440,000,000 for
 5 fiscal year 2020, \$1,620,000,000 for fiscal year 2021,
 6 \$1,800,000,000 for fiscal year 2022, and such sums as
 7 may be necessary for each of fiscal years 2023 through
 8 2027.”.

9 (b) AUTHORIZATION OF APPROPRIATIONS FOR
 10 GEAR UP PROGRAMS.—Section 404H of the Higher
 11 Education Act of 1965 (20 U.S.C. 1070a–28) is amended
 12 by striking “\$400,000,000” and all that follows through
 13 the period and inserting “\$410,000,000 for fiscal year
 14 2018 and such sums as may be necessary for each of fiscal
 15 years 2019 through 2027.”.

16 **TITLE II—EXPANSION OF WORK** 17 **STUDY TO MEET THE NEEDS** 18 **OF TODAY’S STUDENTS**

19 **SEC. 201. AUTHORIZATION OF APPROPRIATIONS.**

20 Section 441(b) of the Higher Education Act of 1965
 21 (20 U.S.C. 1087–51(b)) is amended to read as follows:

22 “(b) AUTHORIZATION OF APPROPRIATIONS.—There
 23 are authorized to be appropriated to carry out this part—

24 “(1) \$1,000,000,000 for fiscal year 2018;

25 “(2) \$1,500,000,000 for fiscal year 2019;

1 “(3) \$2,000,000,000 for fiscal year 2020;
 2 “(4) \$2,500,000,000 for fiscal year 2021;
 3 “(5) \$3,000,000,000 for fiscal year 2022; and
 4 “(6) such sums as may be necessary for each
 5 of fiscal years 2023–2027.”.

6 **SEC. 202. REFORM OF THE WORK STUDY FORMULA.**

7 Section 442 of the Higher Education Act of 1965 (20
 8 U.S.C. 1087–52) is amended—

9 (1) by striking subsection (a) and inserting the
 10 following:

11 “(a) REVISION TO THE FEDERAL WORK STUDY AL-
 12 LOCATION.—The Secretary shall allocate funds under this
 13 section solely on the basis of the self-help need determina-
 14 tion described under subsection (c).”;

15 (2) in subsection (c)—

16 (A) in paragraph (2), by striking “To de-
 17 termine the self-help need of an institution’s eli-
 18 gible undergraduate students,” and inserting
 19 “Until such time as the Secretary establishes a
 20 revised method to determine the self-help need
 21 of an institution’s eligible undergraduate stu-
 22 dents, in accordance with paragraph (5).”;

23 (B) in paragraph (3), by striking “To de-
 24 termine the self-help need of an institution’s eli-
 25 gible graduate and professional students”, and

1 inserting “Until such time as the Secretary es-
 2 tablishes a revised method to determine the
 3 self-help need of an institution’s eligible grad-
 4 uate and professional students, in accordance
 5 with paragraph (5),”; and

6 (C) by adding at the end the following:

7 “(5) Not later than 1 year after the date of en-
 8 actment of the College for All Act of 2017, the Sec-
 9 retary shall establish revised methods for deter-
 10 mining the self-help need of an institution’s eligible
 11 undergraduate students, as described in paragraph
 12 (2), and eligible graduate and professional students,
 13 as described in paragraph (3), that shall take into
 14 account the number of Federal Pell Grant eligible
 15 low-income and moderate-income students that an
 16 eligible institution serves and provide considerations
 17 for eligible institutions that successfully demonstrate
 18 improved employment outcomes. The Secretary shall
 19 promulgate any regulations necessary to carry out
 20 the revised methods of determining an eligible insti-
 21 tution’s self-help need under this subsection.”; and

22 (3) by adding at the end the following:

23 “(f) FUNDS TO EXPAND JOB LOCATION DEVELOP-
 24 MENT PROGRAMS.—Notwithstanding any other provision
 25 of this part, to promote career readiness and improve the

1 employment skills of Federal Pell Grant-eligible students,
 2 the Secretary is authorized to enter into agreements with
 3 eligible institutions under which such institution may use
 4 not more than 20 percent or \$150,000 of its allotment
 5 under this section, whichever amount is less, to expand
 6 job location development programs, which may be coordi-
 7 nated with State and local workforce development
 8 boards.”.

9 **TITLE III—STUDENT LOAN RE-** 10 **LIEF FOR MILLIONS OF BOR-** 11 **ROWERS**

12 **SEC. 301. RESTORATION OF CERTAIN INTEREST RATE PRO-** 13 **VISIONS.**

14 Section 455(b) of the Higher Education Act of 1965
 15 (20 U.S.C. 1087e(b)) is amended—

16 (1) in paragraph (8)—

17 (A) in the heading, by striking “**ON OR**
 18 **AFTER JULY 1, 2013**” and inserting “**ON OR**
 19 **AFTER JULY 1, 2013, AND BEFORE JULY 1,**
 20 **2017**”; and

21 (B) by striking “on or after July 1, 2013”
 22 and inserting “on or after July 1, 2013, and
 23 before July 1, 2017” each place the term ap-
 24 pears;

1 (2) by redesignating paragraphs (9) and (10)
2 as paragraphs (10) and (11), respectively; and

3 (3) by inserting after paragraph (8) the fol-
4 lowing:

5 “(9) INTEREST RATE PROVISIONS FOR NEW
6 LOANS ON OR AFTER JULY 1, 2017.—

7 “(A) RATES FOR UNDERGRADUATE FDSL
8 AND FDUSL.—Notwithstanding the preceding
9 paragraphs of this subsection, for Federal Di-
10 rect Stafford Loans and Federal Direct Unsub-
11 sidized Stafford Loans issued to undergraduate
12 students, for which the first disbursement is
13 made on or after July 1, 2017, the applicable
14 rate of interest shall, during any 12-month pe-
15 riod beginning on July 1 and ending on June
16 30, be determined on the preceding June 1 and
17 be equal to—

18 “(i) the bond equivalent rate of 91-
19 day Treasury bills auctioned at the final
20 auction held prior to such June 1; plus

21 “(ii) 1.09 percent,
22 except that such rate shall not exceed 5 per-
23 cent.

24 “(B) IN SCHOOL AND GRACE PERIOD
25 RULES FOR UNDERGRADUATES.—Notwith-

standing the preceding paragraphs of this subsection, with respect to any Federal Direct Stafford Loan or Federal Direct Unsubsidized Stafford Loan issued to an undergraduate student for which the first disbursement is made on or after July 1, 2017, the applicable rate of interest for interest which accrues—

“(i) prior to the beginning of the repayment period of the loan; or

“(ii) during the period in which principal need not be paid (whether or not such principal is in fact paid) by reason of a provision described in subsection (f), shall be determined under subparagraph (A) by substituting ‘0.49 percent’ for ‘1.09 percent’.

“(C) RATES FOR GRADUATE AND PROFESSIONAL FDUSL.—Notwithstanding the preceding paragraphs of this subsection, for Federal Direct Unsubsidized Stafford Loans issued to graduate or professional students, for which the first disbursement is made on or after July 1, 2017, the applicable rate of interest shall, during any 12-month period beginning on July 1 and ending on June 30, be determined under subparagraph (A)—

1 “(i) by substituting ‘1.86 percent’ for
2 ‘1.09 percent’; and

3 “(ii) by substituting ‘8.25 percent’ for
4 ‘5 percent’.

5 “(D) IN SCHOOL AND GRACE PERIOD
6 RULES FOR GRADUATE AND PROFESSIONAL
7 STUDENTS.—Notwithstanding the preceding
8 paragraphs of this subsection, with respect to
9 any Federal Direct Unsubsidized Stafford Loan
10 issued to a graduate student or professional
11 student for which the first disbursement is
12 made on or after July 1, 2017, the applicable
13 rate of interest for interest which accrues—

14 “(i) prior to the beginning of the re-
15 payment period of the loan; or

16 “(ii) during the period in which prin-
17 cipal need not be paid (whether or not
18 such principal is in fact paid) by reason of
19 a provision described in subsection (f),
20 shall be determined under subparagraph (A) by
21 substituting ‘1.26 percent’ for ‘1.09 percent’.

22 “(E) PLUS LOANS.—Notwithstanding the
23 preceding paragraphs of this subsection, with
24 respect to Federal Direct PLUS Loan for which
25 the first disbursement is made on or after July

1 1, 2017, the applicable rate of interest shall be
 2 determined under subparagraph (A)—

3 “(i) by substituting ‘2.36 percent’ for
 4 ‘1.09 percent’; and

5 “(ii) by substituting ‘8.25 percent’ for
 6 ‘5 percent’.

7 “(F) CONSOLIDATION LOANS.—Notwith-
 8 standing the preceding paragraphs of this sub-
 9 section, any Federal Direct Consolidation loan
 10 for which the application is received on or after
 11 July 1, 2017, shall bear interest at an annual
 12 rate on the unpaid principal balance of the loan
 13 that is equal to the lesser of—

14 “(i) the weighted average of the inter-
 15 est rates on the loans consolidated, round-
 16 ed to the nearest higher $\frac{1}{8}$ of 1 percent;
 17 or

18 “(ii) 8.25 percent.”.

19 **SEC. 302. BORROWER MODIFICATION OF INTEREST RATES**
 20 **UNDER TITLE IV.**

21 Section 455(b) of the Higher Education Act of 1965
 22 (20 U.S.C. 1087e(b)), as amended by section 301, is fur-
 23 ther amended by adding at the end the following:

24 “(12) BORROWER MODIFICATION OF INTEREST
 25 RATE.—

1 “(A) MODIFICATION.—Notwithstanding
 2 any other provision of law, the borrower of a
 3 Federal Stafford Loan under section 428, a
 4 Federal Direct Stafford Loan, a Federal Un-
 5 subsidized Stafford Loan under section 428H, a
 6 Federal Direct Unsubsidized Stafford Loan, a
 7 Federal PLUS Loan under section 428B, a
 8 Federal Direct PLUS Loan, a Federal Consoli-
 9 dation Loan under section 428C, or a Federal
 10 Direct Consolidation Loan may elect to modify
 11 the interest rate of the loan to be equal to—

12 “(i) in the case of a Federal Direct
 13 Stafford Loan, a Federal Direct Unsub-
 14 sidized Stafford Loan, a Federal Direct
 15 PLUS Loan, or a Federal Direct Consoli-
 16 dation Loan, the interest rate that would
 17 be applicable to such loan if such loan were
 18 first disbursed (or in the case of a Federal
 19 Direct Consolidation Loan, first applied
 20 for) on the date on which such borrower
 21 elects to modify the interest rate of such
 22 loan; and

23 “(ii) in the case of a Federal Stafford
 24 Loan, a Federal Unsubsidized Stafford
 25 Loan, a Federal PLUS Loan, or a Federal

1 Consolidation Loan, the weighted average
 2 of the interest rates applicable to loans
 3 under part B on the date the loan was first
 4 disbursed (or in the case of a Federal Con-
 5 solidation Loan, first applied for).

6 “(B) FIXED RATE.—Except as provided in
 7 subparagraph (C), an interest rate elected
 8 under subparagraph (A) for a loan shall be
 9 fixed for the life of the loan.

10 “(C) CONTINUING AUTHORITY TO MOD-
 11 IFY.—A borrower may elect to modify the inter-
 12 est rate of a loan in accordance with subpara-
 13 graph (A) at any time during the life of the
 14 loan.”.

15 **SEC. 303. EXCESS REVENUE IN THE FEDERAL DIRECT LOAN**
 16 **PROGRAM.**

17 (a) IN GENERAL.—The Secretary of Education shall,
 18 for each fiscal year beginning with the first full fiscal year
 19 following the date of enactment of this Act, as soon as
 20 practicable after the end of such fiscal year, determine
 21 whether the amount of Federal funds expended to carry
 22 out the William D. Ford Federal Direct Loan Program
 23 under part D of title IV of the Higher Education Act of
 24 1965 (20 U.S.C. 1087a et seq.) during such fiscal year

1 was less than the revenue received from such Program
 2 during such fiscal year.

3 (b) EXCESS REVENUE.—If the Secretary determines,
 4 for any fiscal year, that the amount of Federal funds ex-
 5 pended to carry out such Federal Direct Loan Program,
 6 as described in subsection (a), during such fiscal year was
 7 less than the revenue received from such Program during
 8 such fiscal year, the Secretary shall use the revenue in
 9 excess of the funds expended to carry out the Federal Pell
 10 Grant Program under subpart 1 of part A of title IV of
 11 the Higher Education Act of 1965 (20 U.S.C. 1070a et
 12 seq.) for the succeeding fiscal year.

13 **TITLE IV—SNYDER ACT**

14 **SEC. 401. RULE OF CONSTRUCTION REGARDING THE SNY-** 15 **DER ACT.**

16 Nothing in this Act, or an amendment made by this
 17 Act, shall be construed to change or abrogate the Federal
 18 Government’s responsibilities under the Act of November
 19 2, 1921 (commonly known as the “Snyder Act”) (25
 20 U.S.C. 13).

