

114TH CONGRESS
1ST SESSION

H. R. 2962

To provide greater access to higher education for America's students.

IN THE HOUSE OF REPRESENTATIVES

JULY 8, 2015

Mr. SCOTT of Virginia (for himself, Mr. HINOJOSA, Mr. CLYBURN, Mr. BUTTERFIELD, Ms. JUDY CHU of California, Ms. LINDA T. SÁNCHEZ of California, Ms. ADAMS, Mr. MOULTON, Mr. TAKANO, Mr. GRIJALVA, Mr. RICHMOND, Ms. BROWN of Florida, Mr. DANNY K. DAVIS of Illinois, Mr. BLUMENAUER, Ms. BONAMICI, Ms. BORDALLO, Mr. BRENDAN F. BOYLE of Pennsylvania, Mrs. CAPPES, Mr. CICILLINE, Ms. CLARK of Massachusetts, Mr. CONYERS, Mr. DESAULNIER, Ms. EDWARDS, Ms. ESHOO, Mr. FATTAH, Ms. FUDGE, Mr. AL GREEN of Texas, Mr. GENE GREEN of Texas, Mr. GUTIÉRREZ, Ms. HAHN, Mr. HONDA, Mr. JEFFRIES, Mr. KENNEDY, Mr. KILMER, Mr. KIND, Mr. LARSON of Connecticut, Ms. LEE, Mr. LEVIN, Mr. LEWIS, Mr. TED LIEU of California, Mr. BEN RAY LUJÁN of New Mexico, Mr. MCDERMOTT, Mr. MCGOVERN, Ms. MOORE, Mrs. NAPOLITANO, Mr. NORCROSS, Ms. NORTON, Ms. PLASKETT, Mr. POCAN, Mr. RANGEL, Ms. ROYBAL-ALLARD, Mr. RUSH, Mr. SABLAN, Ms. LORETTA SANCHEZ of California, Mr. SCHIFF, Mr. SERRANO, Mr. SWALWELL of California, Mr. TAKAI, Mrs. TORRES, Mr. VAN HOLLEN, Ms. WILSON of Florida, Mr. YARMUTH, Mr. BEYER, Mr. PASCRELL, Mr. DELANEY, and Mr. KEATING) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To provide greater access to higher education for America's students.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “America’s College
3 Promise Act of 2015”.

4 **SEC. 2. PURPOSE.**

5 The purpose of this Act is to help all individuals of
6 the United States earn the education and skills the indi-
7 viduals need—

8 (1) by making 2 years of community college
9 free, through a new partnership with States and In-
10 dian tribes to help the States and Indian tribes—

11 (A) waive resident community college tui-
12 tion and fees for eligible students;

13 (B) maintain State and Indian tribe sup-
14 port for higher education; and

15 (C) promote key reforms to improve stu-
16 dent outcomes; and

17 (2) through a new partnership with minority-
18 serving institutions to—

19 (A) encourage eligible students to enroll
20 and successfully complete a baccalaureate de-
21 gree at participating institutions; and

22 (B) promote key reforms to improve stu-
23 dent outcomes.

1 **TITLE I—STATE AND INDIAN**
2 **TRIBE GRANTS FOR COMMU-**
3 **NITY COLLEGES**

4 **SEC. 101. IN GENERAL.**

5 From amounts appropriated under section 107(a) for
6 any fiscal year, the Secretary shall award grants to eligible
7 States and Indian tribes to pay the Federal share of ex-
8 penditures needed to carry out the activities and services
9 described in section 105.

10 **SEC. 102. FEDERAL SHARE; NON-FEDERAL SHARE.**

11 (a) FEDERAL SHARE.—

12 (1) FORMULA.—Subject to paragraph (2), the
13 Federal share of a grant under this title shall be
14 based on a formula, determined by the Secretary,
15 that—

16 (A) accounts for the State or Indian tribe's
17 share of eligible students; and

18 (B) provides, for each eligible student in
19 the State or Indian tribe, a per-student amount
20 that is—

21 (i) not less than 300 percent of the
22 per-student amount of the State or Indian
23 tribe share, determined under subsection
24 (b), subject to clause (ii); and

25 (ii) not greater than 75 percent of—

1 (I) for the 2016–2017 award
2 year, the average resident community
3 college tuition and fees per student in
4 all States for the most recent year for
5 which data are available; and

6 (II) for each subsequent award
7 year, the average resident community
8 college tuition and fees per student in
9 all States calculated under this sub-
10 clause for the preceding year, in-
11 creased by the lesser of—

12 (aa) the percentage by which
13 the average resident community
14 college tuition and fees per stu-
15 dent in all States for the most re-
16 cent year for which data are
17 available increased as compared
18 to such average for the preceding
19 year; or

20 (bb) 3 percent.

21 (2) EXCEPTION FOR CERTAIN INDIAN
22 TRIBES.—In any case in which not less than 75 per-
23 cent of the students at the community colleges oper-
24 ated or controlled by an Indian tribe are low-income
25 students, the amount of the Federal share for such

1 Indian tribe shall be not less than 95 percent of the
2 total amount needed to waive tuition and fees for all
3 eligible students enrolled in such community col-
4 leges.

5 (b) STATE OR TRIBAL SHARE.—

6 (1) FORMULA.—

7 (A) IN GENERAL.—The State or tribal
8 share of a grant under this title for each fiscal
9 year shall be the amount needed to pay 25 per-
10 cent of the average community college resident
11 tuition and fees per student in all States in the
12 2016–2017 award year for all eligible students
13 in the State or Indian tribe, respectively, for
14 such fiscal year, except as provided in subpara-
15 graph (B).

16 (B) EXCEPTION FOR CERTAIN INDIAN
17 TRIBES.—In a case in which not less than 5
18 percent of the students at the community col-
19 leges operated or controlled by an Indian tribe
20 are low-income students, the amount of such
21 Indian tribe’s tribal share shall not exceed 5
22 percent of the total amount needed to waive tui-
23 tion and fees for all eligible students enrolled in
24 such community colleges.

1 (2) NEED-BASED AID.—A State or Indian tribe
2 may include any need-based financial aid provided
3 through State or tribal funds to eligible students as
4 part of the State or tribal share.

5 (3) NO IN-KIND CONTRIBUTIONS.—A State or
6 Indian tribe shall not include in-kind contributions
7 for purposes of the State or tribal share described
8 in paragraph (1).

9 **SEC. 103. ELIGIBILITY.**

10 To be eligible for a grant under this title, a State
11 or Indian tribe shall agree to waive community college
12 resident tuition and fees for all eligible students for each
13 year of the grant.

14 **SEC. 104. APPLICATIONS.**

15 (a) SUBMISSION.—For each fiscal year for which a
16 State or Indian tribe desires a grant under this title, an
17 application shall be submitted to the Secretary at such
18 time, in such manner, and containing such information as
19 the Secretary may require. Such application shall be sub-
20 mitted by—

21 (1) in the case of a State, the Governor, the
22 State agency with jurisdiction over higher education,
23 or another agency designated by the Governor to ad-
24 minister the program under this title; or

1 (2) in the case of an Indian tribe, the governing
2 body of such tribe.

3 (b) CONTENTS.—Each State or Indian tribe applica-
4 tion shall include, at a minimum—

5 (1) an estimate of the number of eligible stu-
6 dents in the State or Indian tribe and the cost of
7 waiving community college resident tuition and fees
8 for all eligible students for each fiscal year covered
9 by the grant, with annual increases of an amount
10 that shall not exceed 3 percent of the prior year’s
11 average resident community college tuition and fees;

12 (2) an assurance that all community colleges in
13 the State or under the jurisdiction of the Indian
14 tribe, respectively, will waive resident tuition and
15 fees for eligible students in programs that are—

16 (A) academic programs with credits that
17 can fully transfer via articulation agreement to-
18 ward a baccalaureate degree or postbaccalau-
19 reate degree at any public institution of higher
20 education in the State; or

21 (B) occupational skills training programs
22 that lead to a recognized postsecondary creden-
23 tial that is in an in-demand industry sector or
24 occupation in the State;

1 (3) a description of the promising and evidence-
2 based institutional reforms and innovative practices
3 to improve student outcomes, including completion
4 or transfer rates, that have been or will be adopted
5 by the participating community colleges, such as—

6 (A) providing comprehensive academic and
7 student support services, including mentoring
8 and advising, especially for low-income, first-
9 generation, adult, and other underrepresented
10 students;

11 (B) providing accelerated learning opportu-
12 nities, such as dual or concurrent enrollment
13 programs;

14 (C) advancing competency-based education;

15 (D) strengthening remedial education, es-
16 pecially for low-income, first-generation, adult
17 and other underrepresented students;

18 (E) implementing course redesigns of high-
19 enrollment courses to improve student outcomes
20 and reduce cost; or

21 (F) utilizing career pathways or degree
22 pathways;

23 (4) a description of how the State or Indian
24 tribe will promote alignment between its public sec-
25 ondary school and postsecondary education systems,

1 including between 2-year and 4-year public institu-
2 tions of higher education and with minority-serving
3 institutions described in section 371 of the Higher
4 Education Act of 1965 (20 U.S.C. 1067q), to ex-
5 pand awareness of and access to postsecondary edu-
6 cation, reduce the need for remediation and repeated
7 coursework, and improve student outcomes;

8 (5) a description of how the State or Indian
9 tribe will ensure that programs leading to a recog-
10 nized postsecondary credential meet the quality cri-
11 teria established by the State under section 123(a)
12 of the Workforce Innovation and Opportunity Act
13 (29 U.S.C. 3153(a)) or other quality criteria deter-
14 mined appropriate by the State or Indian tribe;

15 (6) an assurance that all participating commu-
16 nity colleges in the State or under the authority of
17 the Indian tribe have entered into program partici-
18 pation agreements under section 487 of the Higher
19 Education Act of 1965 (20 U.S.C. 1094);

20 (7) an assurance that, for each year of the
21 grant, the State or Indian tribe will notify each eligi-
22 ble student of the student's remaining eligibility for
23 assistance under this title; and

24 (8) a description of how the State or Indian
25 tribe will promote the improved performance of pub-

1 lic institutions of higher education through funding
2 reform, including through the use of a performance-
3 based model that allocates a portion of the State or
4 Indian tribe’s public higher education expenditures
5 based on the performance of those institutions on
6 State-specified metrics, including successful student
7 outcomes, while ensuring that existing funding gaps
8 for underresourced institutions are not exacerbated.

9 **SEC. 105. ALLOWABLE USES OF FUNDS.**

10 (a) IN GENERAL.—A State or Indian tribe shall use
11 a grant under this title only to provide funds to partici-
12 pating community colleges to waive resident tuition and
13 fees for eligible students who are enrolled in—

14 (1) academic programs with credits that can
15 fully transfer via articulation agreement toward a
16 baccalaureate degree or postbaccalaureate degree at
17 any public institution of higher education in the
18 State; or

19 (2) occupational skills training programs that
20 lead to a recognized postsecondary credential that is
21 in an in-demand industry sector or occupation in the
22 State.

23 (b) ADDITIONAL USES.—If a State or Indian tribe
24 demonstrates to the Secretary that it has grant funds re-
25 maining after meeting the demand for activities described

1 in subsection (a), the State or Indian tribe may use those
2 funds to carry out one or more of the following:

3 (1) Expanding the waiver of resident tuition
4 and fees at community college to students who are
5 returning students or otherwise not enrolling in
6 postsecondary education for the first time, and who
7 meet the student eligibility requirements of clauses
8 (i) through (v) of section 106(4)(A).

9 (2) Expanding the scope and capacity of high-
10 quality academic and occupational skills training
11 programs at community colleges.

12 (3) Improving postsecondary education readi-
13 ness in the State or Indian tribe, through outreach
14 and early intervention.

15 (4) Expanding access to dual or concurrent en-
16 rollment programs.

17 (5) Improving affordability at 4-year public in-
18 stitutions of higher education.

19 (c) USE OF FUNDS FOR ADMINISTRATIVE PUR-
20 POSES.—A State or Indian tribe that receives a grant
21 under this title may not use any funds provided under this
22 title for administrative purposes relating to the grant
23 under this title.

24 (d) MAINTENANCE OF EFFORT.—A State or Indian
25 tribe receiving a grant under this title is entitled to receive

1 its full allotment of funds under this title for a fiscal year
2 only if, for each year of the grant, the State or Indian
3 tribe provides financial support for public higher education
4 at a level equal to or exceeding the average amount pro-
5 vided per full-time equivalent student for public institu-
6 tions of higher education for the 3 consecutive preceding
7 State or Indian tribe fiscal years. In making the calcula-
8 tion under this subsection, the State or Indian tribe shall
9 exclude capital expenses and research and development
10 costs and include need-based financial aid for students
11 who attend public institutions of higher education.

12 (e) ANNUAL REPORT.—A State or Indian tribe re-
13 ceiving a grant under this title shall submit an annual re-
14 port to the Secretary describing the uses of grant funds
15 under this title, the progress made in fulfilling the require-
16 ments of the grant, and rates of graduation, transfer and
17 attainment of recognized postsecondary credentials at par-
18 ticipating community colleges, and including any other in-
19 formation as the Secretary may require.

20 (f) REPORTING BY SECRETARY.—The Secretary an-
21 nually shall—

22 (1) compile and analyze the information de-
23 scribed in subsection (e); and

24 (2) prepare and submit a report to the Com-
25 mittee on Health, Education, Labor, and Pensions

1 of the Senate and the Committee on Education and
2 the Workforce of the House of Representatives con-
3 taining the analysis described in paragraph (1) and
4 an identification of State and Indian tribe best prac-
5 tices for achieving the purpose of this title.

6 (g) TECHNICAL ASSISTANCE.—The Secretary shall
7 provide technical assistance to eligible States and Indian
8 tribes concerning best practices regarding the promising
9 and evidence-based institutional reforms and innovative
10 practices to improve student outcomes as described in sec-
11 tion 104(b)(3) and shall disseminate such best practices
12 among the States and Indian tribes.

13 (h) CONTINUATION OF FUNDING.—

14 (1) IN GENERAL.—A State or Indian tribe re-
15 ceiving a grant under this title for a fiscal year may
16 continue to receive funding under this title for fu-
17 ture fiscal years conditioned on the availability of
18 budget authority and on meeting the requirements
19 of the grant, as determined by the Secretary.

20 (2) DISCONTINUATION.—The Secretary may
21 discontinue funding of the Federal share of a grant
22 under this title if the State or Indian tribe has vio-
23 lated the terms of the grant or is not making ade-
24 quate progress in implementing the reforms de-

1 scribed in the application submitted under section
2 104.

3 **SEC. 106. DEFINITIONS.**

4 In this title:

5 (1) CAREER PATHWAY.—The term “career
6 pathway” has the meaning given the term in section
7 3 of the Workforce Innovation and Opportunity Act
8 (29 U.S.C. 3102).

9 (2) COMMUNITY COLLEGE.—The term “commu-
10 nity college” means a public institution of higher
11 education at which the highest degree that is pre-
12 dominantly awarded to students is an associate’s de-
13 gree, including 2-year tribally controlled colleges
14 under section 316 of the Higher Education Act of
15 1965 (20 U.S.C. 1059c) and public 2-year State in-
16 stitutions of higher education.

17 (3) DUAL OR CONCURRENT ENROLLMENT PRO-
18 GRAM.—The term “dual or concurrent enrollment
19 program” means an academic program through
20 which a secondary school student is able simulta-
21 neously to earn credit toward a secondary school di-
22 ploma and a postsecondary degree or other recog-
23 nized postsecondary credential, including early col-
24 lege high school programs.

25 (4) ELIGIBLE STUDENT.—

1 (A) DEFINITION.—The term “eligible stu-
2 dent” means a student who—

3 (i)(I) enrolls in a community college
4 for the first time, regardless of age, after
5 the date of enactment of this Act; or

6 (II) is enrolled in a community col-
7 lege, for the first time, as of the date of
8 enactment of this Act;

9 (ii) attends the community college on
10 not less than a half-time basis;

11 (iii) is maintaining satisfactory
12 progress, as defined in section 484(c) of
13 the Higher Education Act of 1965 (20
14 U.S.C. 1091(c)), in the student’s course of
15 study;

16 (iv) qualifies for resident tuition, as
17 determined by the State or Indian tribe;
18 and

19 (v) is enrolled in an eligible program
20 described in section 104(b)(2).

21 (B) SPECIAL RULE.—An otherwise eligible
22 student shall lose eligibility 3 calendar years
23 after first receiving benefits under this title.

24 (5) IN-DEMAND INDUSTRY SECTOR OR OCCUPA-
25 TION.—The term “in-demand industry sector or oc-

1 cupation” has the meaning given the term in section
2 3 of the Workforce Innovation and Opportunity Act
3 (29 U.S.C. 3102).

4 (6) INDIAN TRIBE.—The term “Indian tribe”
5 has the meaning given the term in section 102 of the
6 Federally Recognized Indian Tribe List Act of 1994
7 (25 U.S.C. 479a).

8 (7) INSTITUTION OF HIGHER EDUCATION.—The
9 term “institution of higher education” has the
10 meaning given the term in section 101 of the Higher
11 Education Act of 1965 (20 U.S.C. 1001).

12 (8) RECOGNIZED POSTSECONDARY CREDEN-
13 TIAL.—The term “recognized postsecondary creden-
14 tial” has the meaning as described in section 3 of
15 the Workforce Innovation and Opportunity Act (29
16 U.S.C. 3102).

17 (9) SECRETARY.—The term “Secretary” means
18 the Secretary of Education.

19 (10) STATE.—The term “State” has the mean-
20 ing given the term in section 103 of the Higher
21 Education Act of 1965 (20 U.S.C. 1003).

22 **SEC. 107. APPROPRIATIONS.**

23 (a) AUTHORIZATION AND APPROPRIATIONS.—For
24 the purpose of making grants under this title, there are

1 authorized to be appropriated, and there are appro-
2 priated—

3 (1) \$1,365,000,000 for fiscal year 2016;

4 (2) \$3,020,000,000 for fiscal year 2017;

5 (3) \$3,854,000,000 for fiscal year 2018;

6 (4) \$5,395,000,000 for fiscal year 2019;

7 (5) \$7,061,000,000 for fiscal year 2020;

8 (6) \$8,085,000,000 for fiscal year 2021;

9 (7) \$10,182,000,000 for fiscal year 2022;

10 (8) \$13,019,000,000 for fiscal year 2023;

11 (9) \$13,583,000,000 for fiscal year 2024; and

12 (10) \$14,171,000,000 for fiscal year 2025 and

13 each succeeding fiscal year.

14 (b) AVAILABILITY.—Funds appropriated under sub-
15 section (a) shall remain available to the Secretary until
16 expended.

17 (c) INSUFFICIENT FUNDS.—If the amount appro-
18 priated under subsection (a) for a fiscal year is not suffi-
19 cient to award each participating State and Indian tribe
20 a grant under this title that is equal to the minimum
21 amount of the Federal share described in section 102(a),
22 the Secretary may ratably reduce the amount of each such
23 grant or take other actions necessary to ensure an equi-
24 table distribution of such amount.

1 **TITLE II—GRANTS TO HISTORI-**
2 **CALLY BLACK COLLEGES AND**
3 **UNIVERSITIES, HISPANIC-**
4 **SERVING INSTITUTIONS,**
5 **ASIAN AMERICAN AND NA-**
6 **TIVE AMERICAN PACIFIC IS-**
7 **LANDER-SERVING INSTITU-**
8 **TIONS, TRIBAL COLLEGES**
9 **AND UNIVERSITIES, ALASKA**
10 **NATIVE-SERVING INSTITU-**
11 **TIONS, NATIVE HAWAIIAN-**
12 **SERVING INSTITUTIONS, PRE-**
13 **DOMINANTLY BLACK INSTI-**
14 **TUTIONS, AND NATIVE AMER-**
15 **ICAN-SERVING NONTRIBAL**
16 **INSTITUTIONS**

17 **SEC. 201. PATHWAYS TO STUDENT SUCCESS FOR HISTORI-**
18 **CALLY BLACK COLLEGES AND UNIVERSITIES.**

19 (a) **IN GENERAL.**—From amounts appropriated
20 under section 204(a) for any fiscal year, the Secretary
21 shall award grants to participating 4-year historically
22 black colleges or universities that meet the requirements
23 of subsection (b) to—

1 (1) encourage students to enroll as first-time
2 students and successfully complete a bachelor's de-
3 gree at participating institutions;

4 (2) provide incentives to community college stu-
5 dents to transfer to participating institutions
6 through strong transfer pathways to complete a
7 bachelor's degree program; and

8 (3) support participating institutions to better
9 serve new and existing students by engaging in re-
10 forms and innovations designed to improve comple-
11 tion rates and other student outcomes.

12 (b) ELIGIBILITY.—To be eligible to receive a grant
13 under the program under this section, an institution shall
14 be a historically black college or university that—

15 (1) has a student body of which not less than
16 35 percent are low-income students;

17 (2) commits to maintaining or adopting and im-
18 plementing promising and evidence-based institu-
19 tional reforms and innovative practices to improve
20 the completion rates and other student outcomes,
21 such as—

22 (A) providing comprehensive academic and
23 student support services, including mentoring
24 and advising;

1 (B) providing accelerated learning opportu-
2 nities and degree pathways, such as dual enroll-
3 ment and pathways to graduate and profes-
4 sional degree programs;

5 (C) advancing distance and competency-
6 based education;

7 (D) partnering with employers, industry,
8 not-for-profit associations, and other groups to
9 provide opportunities to advance learning out-
10 side the classroom, including work-based learn-
11 ing opportunities such as internships or appren-
12 ticeships or programs designed to improve
13 inter-cultural development and personal growth,
14 such as foreign exchange and study abroad pro-
15 grams;

16 (E) reforming remedial education, espe-
17 cially for low-income students, first generation
18 college students, adult students, and other
19 underrepresented students; or

20 (F) implementing course redesigns of high-
21 enrollment courses to improve student outcomes
22 and reduce cost;

23 (3) sets performance goals for improving stu-
24 dent outcomes for the duration of the grant; and

1 (4) if receiving a grant for transfer students,
2 has articulation agreements with community colleges
3 at the national, State, or local level to ensure that
4 community college credits can fully transfer to the
5 participating institution.

6 (c) GRANT AMOUNT.—

7 (1) INITIAL AMOUNT.—For the first year that
8 an eligible institution participates in the grant pro-
9 gram under this section and subject to paragraph
10 (3), such eligible institution shall receive a grant in
11 an amount based on the product of—

12 (A) the actual cost of tuition and fees at
13 the eligible institution in such year (referred to
14 in this section as the per-student rebate); multi-
15 plied by

16 (B) the number of eligible students en-
17 rolled in the eligible institution for the pre-
18 ceding year.

19 (2) SUBSEQUENT INCREASES.—For each suc-
20 ceeding year after the first year of the grant pro-
21 gram under this section, each participating eligible
22 institution shall receive a grant in the amount deter-
23 mined under paragraph (1) for such year, except
24 that in no case shall the amount of the per-student
25 rebate for an eligible institution increase by more

1 than 3 percent as compared to the amount of such
2 rebate for the preceding year.

3 (3) LIMITATIONS.—

4 (A) MAXIMUM PER-STUDENT REBATE.—

5 No eligible institution participating in the grant
6 program under this section shall receive a per-
7 student rebate amount for any year that is
8 greater than the national average of annual tui-
9 tion and fees at public 4-year institutions of
10 higher education for such year, as determined
11 by the Secretary.

12 (B) FIRST YEAR TUITION AND FEES.—

13 During the first year of participation in the
14 grant program under this section, no eligible in-
15 stitution may increase tuition and fees at a rate
16 greater than any annual increase at the eligible
17 institution in the previous 5 years.

18 (d) APPLICATION.—An eligible institution that de-
19 sires a grant under this section shall submit an application
20 to the Secretary at such time, in such manner, and con-
21 taining such information as the Secretary may require.

22 (e) USE OF FUNDS.—Funds awarded under this sec-
23 tion to a participating eligible institution shall be used to
24 waive or significantly reduce tuition and fees for eligible
25 students in an amount of not more than up to the annual

1 per-student rebate amount for each student, for not more
 2 than the first 60 credits an eligible student enrolls in the
 3 participating eligible institution.

4 **SEC. 202. PATHWAYS TO STUDENT SUCCESS FOR HISPANIC-**
 5 **SERVING INSTITUTIONS, ASIAN AMERICAN**
 6 **AND NATIVE AMERICAN PACIFIC ISLANDER-**
 7 **SERVING INSTITUTIONS, TRIBAL COLLEGES**
 8 **AND UNIVERSITIES, ALASKA NATIVE-SERV-**
 9 **ING INSTITUTIONS, NATIVE HAWAIIAN-SERV-**
 10 **ING INSTITUTIONS, PREDOMINANTLY BLACK**
 11 **INSTITUTIONS, AND NATIVE AMERICAN-SERV-**
 12 **ING NONTRIBAL INSTITUTIONS.**

13 (a) IN GENERAL.—From amounts appropriated
 14 under section 204(a) for any fiscal year, the Secretary
 15 shall award grants to participating 4-year minority-serving
 16 institutions to—

17 (1) encourage students to enroll as first-time
 18 students and successfully complete a bachelor’s de-
 19 gree at participating institutions;

20 (2) provide incentives to community college stu-
 21 dents to transfer to participating institutions
 22 through strong transfer pathways to complete a
 23 bachelor’s degree program; and

24 (3) support participating institutions to better
 25 serve new and existing students by engaging in re-

1 forms and innovations designed to improve comple-
2 tion rates and other student outcomes.

3 (b) INSTITUTIONAL ELIGIBILITY.—To be eligible to
4 participate and receive a grant under this section, an insti-
5 tution shall be a minority-serving institution that—

6 (1) has a student body of which not less than
7 35 percent are low-income students;

8 (2) commits to maintaining or adopting and im-
9 plementing promising and evidence-based institu-
10 tional reforms and innovative practices to improve
11 the completion rates and other student outcomes,
12 such as—

13 (A) providing comprehensive academic and
14 student support services, including mentoring
15 and advising;

16 (B) providing accelerated learning opportu-
17 nities and degree pathways, such as dual enroll-
18 ment and pathways to graduate and profes-
19 sional degree programs;

20 (C) advancing distance and competency-
21 based education;

22 (D) partnering with employers, industry,
23 not-for-profit associations, and other groups to
24 provide opportunities to advance learning out-
25 side the classroom, including work-based learn-

1 ing opportunities such as internships or appren-
2 ticeships or programs designed to improve
3 inter-cultural development and personal growth,
4 such as foreign exchange and study abroad pro-
5 grams;

6 (E) reforming remedial education, espe-
7 cially for low-income students, first generation
8 college students, adult students, and other
9 underrepresented students; and

10 (F) implementing course redesigns of high-
11 enrollment courses to improve student outcomes
12 and reduce cost;

13 (3) sets performance goals for improving stu-
14 dent outcomes for the duration of the grant; and

15 (4) if receiving a grant for transfer students,
16 has articulation agreements with community colleges
17 at the national, State, or local levels to ensure that
18 community college credits can fully transfer to the
19 participating institution.

20 (c) GRANT AMOUNT.—

21 (1) INITIAL AMOUNT.—For the first year that
22 an eligible institution participates in the grant pro-
23 gram under this section and subject to paragraph
24 (3), such participating eligible institution shall re-

1 ceive a grant in an amount based on the product
2 of—

3 (A) the actual cost of tuition and fees at
4 the eligible institution in such year (referred to
5 in this section as the per-student rebate); multi-
6 plied by

7 (B) the number of eligible students en-
8 rolled in the eligible institution for the pre-
9 ceding year.

10 (2) SUBSEQUENT INCREASES.—For each suc-
11 ceeding year after the first year of the grant pro-
12 gram under this section, each participating eligible
13 institution shall receive a grant in the amount deter-
14 mined under paragraph (1) for such year, except
15 that in no case shall the amount of the per-student
16 rebate increase by more than 3 percent as compared
17 to the amount of such rebate for the preceding year.

18 (3) LIMITATIONS.—

19 (A) MAXIMUM PER-STUDENT REBATE.—
20 No eligible institution participating in the grant
21 program under this section shall receive a per-
22 student rebate amount for a grant year greater
23 than the national average of public four-year in-
24 stitutional tuition and fees, as determined by
25 the Secretary.

1 (B) FIRST YEAR TUITION AND FEES.—
2 During the first year of participation in the
3 grant program under this section, no eligible in-
4 stitution may increase tuition and fees at a rate
5 greater than any annual increase made by the
6 institution in the previous 5 years.

7 (d) APPLICATION.—An eligible institution shall sub-
8 mit an application to the Secretary at such time, in such
9 a manner, and containing such information as determined
10 by the Secretary.

11 (e) USE OF FUNDS.—Funds awarded under this sec-
12 tion to a participating eligible institution shall be used to
13 waive or significantly reduce tuition and fees for eligible
14 students in an amount of not more than up to the annual
15 per-student rebate amount for each student, for not more
16 than the first 60 credits an eligible student enrolls in the
17 participating eligible institution.

18 **SEC. 203. DEFINITIONS.**

19 In this title:

20 (1) ELIGIBLE STUDENT.—

21 (A) DEFINITION.—The term “eligible stu-
22 dent” means a student, regardless of age,
23 who—

1 (i)(I) enrolls in a historically black
2 college or university, or minority-serving
3 institution, for the first time; or

4 (II) transfers from a community col-
5 lege into a historically black college or uni-
6 versity, or minority-serving institution, for
7 the first time;

8 (ii) attends the historically black col-
9 lege or university, or minority serving in-
10 stitution, on at least a half-time basis;

11 (iii) maintains satisfactory academic
12 progress; and

13 (iv) is a low-income student.

14 (B) SPECIAL RULES.—

15 (i) FIRST 3 YEARS.—An otherwise eli-
16 gible student shall lose eligibility 3 cal-
17 endar years after first receiving benefits
18 under this title.

19 (ii) SPECIAL RULE FOR CERTAIN STU-
20 DENTS.—Notwithstanding subparagraph
21 (A)(i), an otherwise eligible student whose
22 parent or guardian was denied a Federal
23 Direct PLUS loan under title IV of the
24 Higher Education Act of 1965 (20 U.S.C.
25 1070 et seq.) after November 2011 and be-

1 fore March 29, 2015, and who subse-
2 quently withdrew from a historically black
3 college or university, or minority-serving
4 institution, and has not yet completed a
5 program of study at such historically black
6 college or university or minority-serving in-
7 stitution, shall be eligible to participate
8 under section 201 or 202 in order to com-
9 plete such program of study, subject to all
10 other requirements of section 201 or 202
11 (as the case may be).

12 (2) HISTORICALLY BLACK COLLEGE OR UNI-
13 VERSITY.—The term “historically black college or
14 university” means a part B institution described in
15 section 322(2) of the Higher Education Act of 1965
16 (20 U.S.C. 1061(2)).

17 (3) LOW-INCOME STUDENT.—The term “low-in-
18 come student” has the meaning given such term by
19 the Secretary, except that such term shall not ex-
20 clude any student eligible for a Federal Pell Grant
21 under section 401 of the Higher Education Act of
22 1965 (20 U.S.C. 1070a).

23 (4) MINORITY-SERVING INSTITUTION.—The
24 term “minority-serving institution” means any pub-
25 lic or not-for-profit institution of higher education—

1 (A) described in paragraphs (2) through
2 (7) of section 371(a) of the Higher Education
3 Act of 1965 (20 U.S.C. 1067q); and

4 (B) designated as a minority-serving insti-
5 tution by the Secretary.

6 **SEC. 204. APPROPRIATIONS.**

7 (a) AUTHORIZATION AND APPROPRIATIONS FOR
8 HBCU AND MSI GRANTS.—For the purpose of carrying
9 out sections 201 and 202, there are authorized to be ap-
10 propriated, and there are appropriated—

- 11 (1) \$55,000,000 for fiscal year 2016;
12 (2) \$180,000,000 for fiscal year 2017;
13 (3) \$1,072,000,000 for fiscal year 2018;
14 (4) \$1,115,000,000 for fiscal year 2019;
15 (5) \$1,160,000,000 for fiscal year 2020;
16 (6) \$1,206,000,000 for fiscal year 2021;
17 (7) \$1,225,000,000 for fiscal year 2022;
18 (8) \$1,306,000,000 for fiscal year 2023;
19 (9) \$1,359,000,000 for fiscal year 2024; and
20 (10) \$1,414,000,000 for fiscal year 2025 and
21 each succeeding fiscal year.

22 (b) AVAILABILITY.—Funds appropriated under sub-
23 section (a) are to remain available to the Secretary until
24 expended.

1 (c) INSUFFICIENT FUNDS.—If the amount appro-
2 priated under subsection (a) for a fiscal year is not suffi-
3 cient to award each participating institution in the grant
4 programs under sections 201 and 202 a grant under this
5 part equal to 100 percent of the grant amount determined
6 under section 201(c), the Secretary may ratably reduce
7 the amount of each such grant or take other actions nec-
8 essary to ensure an equitable distribution of such amount.

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