

mination of need, prior to repeal by Pub. L. 97-35, title V, § 532(b)(2), Aug. 13, 1981, 95 Stat. 452, applicable to loans for the statement required by section 1078(a)(2)(A) of this title is completed on or after Oct. 1, 1981.

**§ 1087-4. Discrimination in secondary markets prohibited**

The Student Loan Marketing Association (and, if the Association is privatized under section 1087-3 of this title, any successor entity functioning as a secondary market for loans under this part, including the Holding Company described in such section) shall not engage directly or indirectly in any pattern or practice that results in a denial of a borrower's access to loans under this part because of the borrower's race, sex, color, religion, national origin, age, disability status, income, attendance at a particular eligible institution, length of the borrower's educational program, or the borrower's academic year at an eligible institution.

(Pub. L. 89-329, title IV, § 440A, as added Pub. L. 104-208, div. A, title I, § 101(e) [title VI, § 604], Sept. 30, 1996, 110 Stat. 3009-233, 3009-293.)

**Editorial Notes**

**PRIOR PROVISIONS**

A prior section 1087-4, Pub. L. 89-329, title IV, § 440, as added Pub. L. 94-482, title I, § 127(a), Oct. 12, 1976, 90 Stat. 2141, provided for criminal penalties, prior to repeal by Pub. L. 96-374, title IV, § 451(b), Oct. 3, 1980, 94 Stat. 1458, eff. Oct. 1, 1980. See section 1097 of this title.

**PART C—FEDERAL WORK-STUDY PROGRAMS**

**Editorial Notes**

**CODIFICATION**

Part C of title IV of the Higher Education Act of 1965, Pub. L. 89-329, which comprises this part, was originally enacted as part C of title I of the Economic Opportunity Act of 1964, Pub. L. 88-452, Aug. 20, 1964, 78 Stat. 513, and amended by Pub. L. 89-253, Oct. 9, 1965, 79 Stat. 973; Pub. L. 89-329, Nov. 8, 1965, 79 Stat. 1219; Pub. L. 90-82, Sept. 6, 1967, 81 Stat. 194; and Pub. L. 90-222, Dec. 23, 1967, 81 Stat. 672. It was redesignated as part C of title IV of Pub. L. 89-329 and amended by Pub. L. 90-575, Oct. 16, 1968, 82 Stat. 1014, and further amended by Pub. L. 91-95, Oct. 22, 1969, 83 Stat. 141; Pub. L. 92-318, June 23, 1972, 86 Stat. 235; Pub. L. 94-43, June 28, 1975, 89 Stat. 233; Pub. L. 94-482, Oct. 12, 1976, 90 Stat. 2081; and Pub. L. 96-374, Oct. 3, 1980, 94 Stat. 1367. Such part is shown herein, however, as having been added by Pub. L. 99-498, title IV, § 403(a), Oct. 17, 1986, 100 Stat. 1429, without reference to such intervening amendments because of the extensive revision of part C by Pub. L. 99-498. For complete credit information on amendatory acts prior to Pub. L. 99-498, see Prior Provisions notes under individual sections within this part.

Part was formerly classified to part C (§ 2751 et seq.) of subchapter I of chapter 34 of Title 42, The Public Health and Welfare, prior to transfer to this part.

Pub. L. 102-325, title IV, § 441(a)(1), July 23, 1992, 106 Stat. 563, substituted "FEDERAL WORK-STUDY PROGRAMS" for "WORK-STUDY PROGRAMS" in part heading.

**PRIOR PROVISIONS**

A prior part C of this subchapter, consisting of part D of title IV of Pub. L. 89-329, was redesignated part D of this subchapter.

A prior part C of title IV of Pub. L. 89-329, Nov. 8, 1965, 79 Stat. 1249, consisting of sections 441 and 442, was repealed by Pub. L. 90-575, title I, § 131(a), Oct. 16, 1968,

82 Stat. 1028, in order to accommodate the redesignation and transfer of former part C of title I of Pub. L. 88-452. See Codification note above. Prior section 441 made various amendments to parts C and D of title I of Pub. L. 88-452, and, notwithstanding the repeal of section 441, those amendments were not struck out. Prior section 442 was classified to section 2757 of Title 42, The Public Health and Welfare.

**§ 1087-51. Purpose; appropriations authorized**

**(a) Purpose**

The purpose of this part is to stimulate and promote the part-time employment of students who are enrolled as undergraduate, graduate, or professional students and who are in need of earnings from employment to pursue courses of study at eligible institutions, and to encourage students receiving Federal student financial assistance to participate in community service activities that will benefit the Nation and engender in the students a sense of social responsibility and commitment to the community.

**(b) Authorization of appropriations**

There are authorized to be appropriated to carry out this part, such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

**(c) "Community services" defined**

For purposes of this part, the term "community services" means services which are identified by an institution of higher education, through formal or informal consultation with local nonprofit, governmental, and community-based organizations, as designed to improve the quality of life for community residents, particularly low-income individuals, or to solve particular problems related to their needs, including—

(1) such fields as health care, child care (including child care services provided on campus that are open and accessible to the community), literacy training, education (including tutorial services), welfare, social services, transportation, housing and neighborhood improvement, public safety, emergency preparedness and response, crime prevention and control, recreation, rural development, and community improvement;

(2) work in a project, as defined in section 12511(20)<sup>1</sup> of title 42;

(3) support services to students with disabilities, including students with disabilities who are enrolled at the institution; and

(4) activities in which a student serves as a mentor for such purposes as—

(A) tutoring;

(B) supporting educational and recreational activities; and

(C) counseling, including career counseling.

(Pub. L. 89-329, title IV, § 441, as added Pub. L. 99-498, title IV, § 403(a), Oct. 17, 1986, 100 Stat. 1429; amended Pub. L. 102-325, title IV, § 441(b)-(d), July 23, 1992, 106 Stat. 563; Pub. L. 103-82, title I, § 111(b)(3), Sept. 21, 1993, 107 Stat. 860; Pub. L. 105-244, title IV, § 441, Oct. 7, 1998, 112 Stat. 1711; Pub. L. 110-315, title IV, § 441, Aug. 14, 2008, 122 Stat. 3258.)

<sup>1</sup> See References in Text note below.

**Editorial Notes**

## REFERENCES IN TEXT

Section 12511(20) of title 42, referred to in subsec. (c)(2), was redesignated section 12511(35) by Pub. L. 111-13, title I, §1102(b)(1), Apr. 21, 2009, 123 Stat. 1467.

## CODIFICATION

Section was formerly classified to section 2751 of Title 42, The Public Health and Welfare, prior to transfer to this section. See note below.

Section was originally enacted as section 121 (and later renumbered section 141) of the Economic Opportunity Act of 1964, Pub. L. 88-452, at which time it was classified to section 2751 of Title 42, The Public Health and Welfare. It was renumbered as section 441 of title IV of the Higher Education Act of 1965, Pub. L. 89-329, by Pub. L. 90-575, §131(a), (b)(1), and later editorially transferred to this section to merge with the rest of the Act, which is classified to this chapter. For complete credit information on acts affecting this section prior to Pub. L. 99-498, see Prior Provisions note below.

## PRIOR PROVISIONS

A prior section 441 of Pub. L. 89-329, title IV, formerly Pub. L. 88-452, title I, §141, formerly §121, Aug. 20, 1964, 78 Stat. 513; Pub. L. 89-329, title IV, §441(2), Nov. 8, 1965, 79 Stat. 1249; renumbered §141, Pub. L. 90-222, title I, §111(a), Dec. 23, 1967, 81 Stat. 726; renumbered Pub. L. 89-329, title IV, §441, and amended Pub. L. 90-575, title I, §§131(a), (b)(1), 132, 133(a), Oct. 16, 1968, 82 Stat. 1028, 1029; Pub. L. 91-95, §5, Oct. 22, 1969, 83 Stat. 143; Pub. L. 92-318, title I, §§135, 135A(a), June 23, 1972, 86 Stat. 270; Pub. L. 94-482, title I, §128(a), Oct. 12, 1976, 90 Stat. 2143; Pub. L. 96-374, title IV, §431, Oct. 3, 1980, 94 Stat. 1433, stated purpose of this part and authorized appropriations for fiscal years 1981 to 1985, prior to the general revision of this part by Pub. L. 99-498.

Another prior section 441 of Pub. L. 89-329, title IV, Nov. 8, 1965, 79 Stat. 1249, which amended this section and former sections 2752 to 2756 and 2761 of Title 42, The Public Health and Welfare, was repealed by Pub. L. 90-575, title I, §131(a), Oct. 16, 1968, 82 Stat. 1028. Because the repeal happened in order to accommodate the new section 441 resulting from the renumbering of former section 141 of Pub. L. 88-452, the amendments made by prior section 441 were not treated as being struck out.

## AMENDMENTS

2008—Subsec. (b). Pub. L. 110-315, §441(1), substituted “such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years” for “\$1,000,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years”.

Subsec. (c)(1). Pub. L. 110-315, §441(2), inserted “emergency preparedness and response,” after “public safety.”

1998—Subsec. (b). Pub. L. 105-244, §441(a), substituted “\$1,000,000,000 for fiscal year 1999” for “\$800,000,000 for fiscal year 1993”.

Subsec. (c)(1). Pub. L. 105-244, §441(b)(1), inserted “(including child care services provided on campus that are open and accessible to the community)” after “child care”.

Subsec. (c)(3). Pub. L. 105-244, §441(b)(2), inserted “, including students with disabilities who are enrolled at the institution” before the semicolon.

1993—Subsec. (c)(2). Pub. L. 103-82 substituted “a project, as defined in section 12511(20) of title 42” for “service opportunities or youth corps as defined in section 12511 of title 42, and service in the agencies, institutions and activities designated in section 12544(a) of title 42”.

1992—Subsec. (a). Pub. L. 102-325, §441(b), inserted before period at end “, and to encourage students receiving Federal student financial assistance to participate in community service activities that will benefit the Nation and engender in the students a sense of social responsibility and commitment to the community”.

Subsec. (b). Pub. L. 102-325, §441(c), amended subsec. (b) generally, substituting present provisions for former provisions which authorized appropriations for fiscal years 1987 to 1991.

Subsec. (c). Pub. L. 102-325, §441(d), added subsec. (c).

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-244 effective Oct. 1, 1998, except as otherwise provided in Pub. L. 105-244, see section 3 of Pub. L. 105-244, set out as a note under section 1001 of this title.

## EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-82 effective Oct. 1, 1993, see section 123 of Pub. L. 103-82, set out as a note under section 1701 of Title 16, Conservation.

## EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-325 effective Oct. 1, 1992, see section 2 of Pub. L. 102-325, set out as a note under section 1001 of this title.

## REFERENCES TO PART C OF TITLE I OF THE ECONOMIC OPPORTUNITY ACT OF 1964

Pub. L. 90-575, title I, §131(c), Oct. 16, 1968, 82 Stat. 1028, provided that: “Any reference to any provision of part C of title I of the Economic Opportunity Act of 1964 in any law of the United States shall be deemed to be a reference to the corresponding provision of part C of title IV of the Higher Education Act of 1965 [this part] as amended by this section.”

**§ 1087-52. Allocation of funds****(a) Allocation based on previous allocation**

(1) From the amount appropriated pursuant to section 1087-51(b) of this title for each fiscal year, the Secretary shall first allocate to each eligible institution for each succeeding fiscal year, an amount equal to 100 percent of the amount such institution received under subsections (a) and (b) of this section for fiscal year 1999 (as such subsections were in effect with respect to allocations for such fiscal year).

(2)(A) From the amount so appropriated, the Secretary shall next allocate to each eligible institution that began participation in the program under this part after fiscal year 1999 but is not a first or second time participant, an amount equal to the greater of—

(i) \$5,000; or

(ii) 90 percent of the amount received and used under this part for the first year it participated in the program.

(B) From the amount so appropriated, the Secretary shall next allocate to each eligible institution that began participation in the program under this part after fiscal year 1999 and is a first or second time participant, an amount equal to the greatest of—

(i) \$5,000;

(ii) an amount equal to (I) 90 percent of the amount received and used under this part in the second preceding fiscal year by eligible institutions offering comparable programs of instruction, divided by (II) the number of students enrolled at such comparable institutions in such fiscal year, multiplied by (III) the number of students enrolled at the applicant institution in such fiscal year; or

(iii) 90 percent of the institution’s allocation under this part for the preceding fiscal year.”

(C) Notwithstanding subparagraphs (A) and (B) of this paragraph, the Secretary shall allocate to each eligible institution which—

(i) was a first-time participant in the program in fiscal year 2000 or any subsequent fiscal year, and

(ii) received a larger amount under this subsection in the second year of participation,

an amount equal to 90 percent of the amount it received under this subsection in its second year of participation.

(3)(A) If the amount appropriated for any fiscal year is less than the amount required to be allocated to all institutions under paragraph (1) of this subsection, then the amount of the allocation to each such institution shall be ratably reduced.

(B) If the amount appropriated for any fiscal year is more than the amount required to be allocated to all institutions under paragraph (1) but less than the amount required to be allocated to all institutions under paragraph (2), then—

(i) the Secretary shall allot the amount required to be allocated to all institutions under paragraph (1), and

(ii) the amount of the allocation to each institution under paragraph (2) shall be ratably reduced.

(C) If additional amounts are appropriated for any such fiscal year, such reduced amounts shall be increased on the same basis as they were reduced (until the amount allocated equals the amount required to be allocated under paragraphs (1) and (2) of this subsection).

(4)(A) Notwithstanding any other provision of this section, the Secretary may allocate an amount equal to not more than 10 percent of the amount by which the amount appropriated in any fiscal year to carry out this part exceeds \$700,000,000 among eligible institutions described in subparagraph (B).

(B) In order to receive an allocation pursuant to subparagraph (A) an institution shall be an eligible institution from which 50 percent or more of the Pell Grant recipients attending such eligible institution graduate or transfer to a 4-year institution of higher education.

**(b) Allocation of excess based on share of excess eligible amounts**

(1) From the remainder of the amount appropriated pursuant to section 1087-51(b) of this title after making the allocations required by subsection (a) of this section, the Secretary shall allocate to each eligible institution which has an excess eligible amount an amount which bears the same ratio to such remainder as such excess eligible amount bears to the sum of the excess eligible amounts of all such eligible institutions (having such excess eligible amounts).

(2) For any eligible institution, the excess eligible amount is the amount, if any, by which—

(A)(i) the amount of that institution's need (as determined under subsection (c) of this section), divided by (ii) the sum of the need of all institutions (as so determined), multiplied by (iii) the amount appropriated pursuant to section 1087-51(b) of this title for the fiscal year; exceeds

(B) the amount required to be allocated to that institution under subsection (a) of this section.

**(c) Determination of institution's need**

(1) The amount of an institution's need is equal to the sum of the self-help need of the institution's eligible undergraduate students and the self-help need of the institution's eligible graduate and professional students.

(2) To determine the self-help need of an institution's eligible undergraduate students, the Secretary shall—

(A) establish various income categories for dependent and independent undergraduate students;

(B) establish an expected family contribution for each income category of dependent and independent undergraduate students, determined on the basis of the average expected family contribution (computed in accordance with part F of this subchapter of a representative sample within each income category for the second preceding fiscal year;

(C) compute 25 percent of the average cost of attendance for all undergraduate students;

(D) multiply the number of eligible dependent students in each income category by the lesser of—

(i) 25 percent of the average cost of attendance for all undergraduate students determined under subparagraph (C); or

(ii) the average cost of attendance for all undergraduate students minus the expected family contribution determined under subparagraph (B) for that income category, except that the amount computed by such subtraction shall not be less than zero;

(E) add the amounts determined under subparagraph (D) for each income category of dependent students; and

(F) multiply the number of eligible independent students in each income category by the lesser of—

(i) 25 percent of the average cost of attendance for all undergraduate students determined under subparagraph (C); or

(ii) the average cost of attendance for all undergraduate students minus the expected family contribution determined under subparagraph (B) for that income category, except that the amount computed by such subtraction for any income category shall not be less than zero;

(G) add the amounts determined under subparagraph (F) for each income category of independent students; and

(H) add the amounts determined under subparagraphs (E) and (G).

(3) To determine the self-help need of an institution's eligible graduate and professional students, the Secretary shall—

(A) establish various income categories of graduate and professional students;

(B) establish an expected family contribution for each income category of graduate and professional students, determined on the basis of the average expected family contribution (computed in accordance with part F of this subchapter of a representative sample within

each income category for the second preceding fiscal year;

(C) determine the average cost of attendance for all graduate and professional students;

(D) subtract from the average cost of attendance for all graduate and professional students (determined under subparagraph (C)), the expected family contribution (determined under subparagraph (B)) for each income category, except that the amount computed by such subtraction for any income category shall not be less than zero;

(E) multiply the amounts determined under subparagraph (D) by the number of eligible students in each category; and

(F) add the amounts determined under subparagraph (E) of this paragraph for each income category.

(4)(A) For purposes of paragraphs (2) and (3), the term “average cost of attendance” means the average of the attendance costs for undergraduate students and for graduate and professional students, which shall include (i) tuition and fees determined in accordance with subparagraph (B), (ii) standard living expenses determined in accordance with subparagraph (C), and (iii) books and supplies determined in accordance with subparagraph (D).

(B) The average undergraduate and graduate and professional tuition and fees described in subparagraph (A)(i) shall be computed on the basis of information reported by the institution to the Secretary, which shall include (i) total revenue received by the institution from undergraduate and graduate tuition and fees for the second year preceding the year for which it is applying for an allocation, and (ii) the institution’s enrollment for such second preceding year.

(C) The standard living expense described in subparagraph (A)(ii) is equal to 150 percent of the difference between the income protection allowance for a family of five with one in college and the income protection allowance for a family of six with one in college for a single independent student.

(D) The allowance for books and supplies described in subparagraph (A)(iii) is equal to \$600.

**(d) Reallocation of excess allocations**

(1) If institutions return to the Secretary any portion of the sums allocated to such institutions under this section for any fiscal year, the Secretary shall reallocate such excess to eligible institutions which used at least 5 percent of the total amount of funds granted to such institution under this section to compensate students employed in tutoring in reading and family literacy activities in the preceding fiscal year. Such excess funds shall be reallocated to institutions which qualify under this subsection on the same basis as excess eligible amounts are allocated to institutions pursuant to subsection (b) of this section. Funds received by institutions pursuant to this subsection shall be used to compensate students employed in community service.

(2) If, under paragraph (1) of this subsection, an institution returns more than 10 percent of its allocation, the institution’s allocation for the next fiscal year shall be reduced by the

amount returned. The Secretary may waive this paragraph for a specific institution if the Secretary finds that enforcing this paragraph would be contrary to the interest of the program.

**(e) Filing deadlines**

The Secretary shall, from time to time, set dates before which institutions must file applications for allocations under this part.

(Pub. L. 89-329, title IV, §442, as added Pub. L. 99-498, title IV, §403(a), Oct. 17, 1986, 100 Stat. 1429; amended Pub. L. 100-50, §11(a), June 3, 1987, 101 Stat. 348; Pub. L. 102-325, title IV, §442, July 23, 1992, 106 Stat. 564; Pub. L. 103-208, §2(d)(1), (2), Dec. 20, 1993, 107 Stat. 2470; Pub. L. 105-244, title IV, §442(a), (b), Oct. 7, 1998, 112 Stat. 1712; Pub. L. 110-315, title IV, §442, Aug. 14, 2008, 122 Stat. 3258; Pub. L. 116-260, div. FF, title VII, §704(1), (3), (4), Dec. 27, 2020, 134 Stat. 3199, 3200.)

AMENDMENT OF SECTION

*Pub. L. 116-260, div. FF, title VII, §§701(b), 704(1), (3), (4), Dec. 27, 2020, 134 Stat. 3137, 3199, 3200; Pub. L. 117-103, div. R, §102(a), Mar. 15, 2022, 136 Stat. 819, provided that, effective July 1, 2024, except as otherwise expressly provided, and applicable with respect to award year 2024-2025 and each subsequent award year, as determined under this chapter, this section is amended:*

*(1) by striking “the expected family contribution” each place the term appears and inserting “the student aid index”;*

*(2) by striking “an expected family contribution” each place the term appears and inserting “a student aid index”; and*

*(3) by striking “average expected family contribution” each place the term appears and inserting “average student aid index”.*

*See 2020 Amendment notes below.*

**Editorial Notes**

CODIFICATION

Section was formerly classified to section 2752 of Title 42, The Public Health and Welfare, prior to transfer to this section. See note below.

Section was originally enacted as section 122 (and later renumbered section 142) of the Economic Opportunity Act of 1964, Pub. L. 88-452, at which time it was classified to section 2752 of Title 42, The Public Health and Welfare. It was renumbered as section 442 of title IV of the Higher Education Act of 1965, Pub. L. 89-329, by Pub. L. 90-575, §131(a), (b)(1), and later editorially transferred to this section to merge with the rest of the Act, which is classified to this chapter. For complete credit information on acts affecting this section prior to Pub. L. 99-498, see Prior Provisions note below.

PRIOR PROVISIONS

A prior section 442 of Pub. L. 89-329, title IV, formerly Pub. L. 88-452, title I, §142, formerly §122, Aug. 20, 1964, 78 Stat. 514; Pub. L. 89-329, title IV, §441(1), Nov. 8, 1965, 79 Stat. 1249; renumbered §142, Pub. L. 90-222, title I, §111(a), Dec. 23, 1967, 81 Stat. 726; renumbered Pub. L. 89-329, title IV, §442, and amended Pub. L. 90-575, title I, §§131(a), (b)(1), (3), 133(a), 135, Oct. 16, 1968, 82 Stat. 1028, 1029; Pub. L. 92-318, title I, §135B, June 23, 1972, 86 Stat. 270; Pub. L. 96-374, title IV, §§432, 433, title XIII, §1391(a)(1), Oct. 3, 1980, 94 Stat. 1433, 1503, related to allocation of funds, prior to the general revision of this part by Pub. L. 99-498.

Another prior section 442 of Pub. L. 89-329, title IV, Nov. 8, 1965, 79 Stat. 1251, which was classified to sec-

tion 2757 of Title 42, The Public Health and Welfare, authorized appropriations for the fiscal years ending June 30, 1966, 1967, and 1968, to carry out the provisions of this part, prior to repeal by Pub. L. 90-575, title I, §131(a), Oct. 16, 1968, 82 Stat. 1028.

#### AMENDMENTS

2020—Subsec. (c)(2)(B). Pub. L. 116-260, §704(4), substituted “average student aid index” for “average expected family contribution”.

Pub. L. 116-260, §704(3), substituted “a student aid index” for “an expected family contribution”.

Subsec. (c)(2)(D)(ii), (F)(ii). Pub. L. 116-260, §704(1), substituted “the student aid index” for “the expected family contribution”.

Subsec. (c)(3)(B). Pub. L. 116-260, §704(4), substituted “average student aid index” for “average expected family contribution”.

Pub. L. 116-260, §704(3), substituted “a student aid index” for “an expected family contribution”.

Subsec. (c)(3)(D). Pub. L. 116-260, §704(1), substituted “the student aid index” for “the expected family contribution”.

2008—Subsec. (c)(4)(D). Pub. L. 110-315 substituted “\$600” for “\$450”.

1998—Subsec. (a)(1). Pub. L. 105-244, §442(a)(1), substituted “received under subsections (a) and (b) of this section for fiscal year 1999 (as such subsections were in effect with respect to allocations for such fiscal year)” for “received and used under this part for fiscal year 1985”.

Subsec. (a)(2)(A), (B). Pub. L. 105-244, §442(a)(2)(A), substituted “1999” for “1985” in introductory provisions.

Subsec. (a)(2)(C)(i). Pub. L. 105-244, §442(a)(2)(B), substituted “2000” for “1986”.

Subsec. (b). Pub. L. 105-244, §442(b)(1), (2), redesignated subsec. (c) as (b), and struck out heading and text of former subsec. (b). Text read as follows: “From one-quarter of the remainder of the amount appropriated pursuant to section 1087-51(b) of this title for any fiscal year (after making the allocations required by subsection (a) of this section), the Secretary shall allocate to each eligible institution an amount which bears the same ratio to such one-quarter as the amount the eligible institution receives for such fiscal year under subsection (a) of this section bears to the amount all such institutions receive under such subsection (a) of this section.”

Subsec. (b)(1). Pub. L. 105-244, §442(b)(3), struck out “three-quarters of” after “From”.

Subsec. (b)(2)(A)(i). Pub. L. 105-244, §442(b)(4), substituted “subsection (c)” for “subsection (d)”.

Subsec. (c). Pub. L. 105-244, §442(b)(2), redesignated subsec. (d) as (c). Former subsec. (c) redesignated (b).

Subsec. (c)(3). Pub. L. 105-244, §442(b)(5), struck out “the Secretary, for academic year 1988-1989 shall use the procedures employed for academic year 1986-1987, and, for any subsequent academic years,” after “professional students,” in introductory provisions.

Subsec. (d). Pub. L. 105-244, §442(b)(2), redesignated subsec. (e) as (d). Former subsec. (d) redesignated (c).

Subsec. (d)(1). Pub. L. 105-244, §442(b)(6), substituted “5 percent” for “10 percent”, “in tutoring in reading and family literacy activities in” for “in community service in”, and “subsection (b)” for “subsection (c)”.

Subsecs. (e), (f). Pub. L. 105-244, §442(b)(2), redesignated subsec. (f) as (e). Former subsec. (e) redesignated (d).

1993—Subsec. (d)(4)(C). Pub. L. 103-208, §2(d)(1), substituted “150 percent of the difference between the income protection allowance for a family of five with one in college and the income protection allowance for a family of six with one in college” for “three-fourths in the Pell Grant family size offset”.

Subsec. (e). Pub. L. 103-208, §2(d)(2), designated existing provisions as par. (1) and added par. (2).

1992—Subsec. (a)(4). Pub. L. 102-325, §442(a), added par. (4).

Subsec. (e). Pub. L. 102-325, §442(b), amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows:

“(1) If an institution returns to the Secretary any portion of the sums allocated to such institution under this section for any fiscal year the Secretary shall re-allocate such excess in accordance with paragraph (2). Any sums reallocated under this subsection may be used in accordance with section 1087-55(a)(2) of this title.

“(2) The Secretary shall reallocate not to exceed 25 percent of the amount available pursuant to paragraph (1) to eligible institutions for use in initiating, improving, and expanding programs of community service-learning conducted in accordance with section 1087-57 of this title. The Secretary shall allocate the remainder of the amounts available pursuant to paragraph (1) to eligible institutions based upon the criteria described in section 1087-57(c) of this title.”

1987—Subsec. (e)(2). Pub. L. 100-50, substituted “not to exceed 25 percent” for “25 percent” and “section 1087-57(c) of this title” for “subsection (c) of this section”, and made technical amendment to reference to section 1087-57 of this title to correct numerical designation of corresponding section of original act.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2020 AMENDMENT

Amendment by Pub. L. 116-260 effective July 1, 2024, except as otherwise expressly provided, and applicable with respect to award year 2024-2025 and each subsequent award year, as determined under this chapter, see section 701(b) of Pub. L. 116-260, set out as a note under section 1001 of this title.

##### EFFECTIVE DATE OF 1998 AMENDMENT

Pub. L. 105-244, title IV, §442(c), Oct. 7, 1998, 112 Stat. 1712, provided that: “The amendments made by this section [amending this section] shall apply with respect to allocations of amounts appropriated pursuant to section 441(b) for fiscal year 2000 or any succeeding fiscal year.”

##### EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-208 effective as if included in the Higher Education Amendments of 1992, Pub. L. 102-325, except as otherwise provided, see section 5(a) of Pub. L. 103-208, set out as a note under section 1051 of this title.

##### EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-325 effective Oct. 1, 1992, see section 2 of Pub. L. 102-325, set out as a note under section 1001 of this title.

##### EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100-50 effective as if enacted as part of the Higher Education Amendments of 1986, Pub. L. 99-498, see section 27 of Pub. L. 100-50, set out as a note under section 1001 of this title.

##### EFFECTIVE DATE

Pub. L. 99-498, title IV, §403(b)(1), as added by Pub. L. 100-50, §22(c), June 3, 1987, 101 Stat. 361, provided that: “Section 442 of the Act [this section] shall apply with respect to the allocation of funds for academic year 1988-1989 and succeeding academic years.”

#### § 1087-53. Grants for Federal work-study programs

##### (a) Agreements required

The Secretary is authorized to enter into agreements with institutions of higher education under which the Secretary will make grants to such institutions to assist in the operation of work-study programs as provided in this part.

##### (b) Contents of agreements

An agreement entered into pursuant to this section shall—

(1) provide for the operation by the institution of a program for the part-time employment, including internships, practica, or research assistantships as determined by the Secretary, of its students in work for the institution itself, work in community service or work in the public interest for a Federal, State, or local public agency or private nonprofit organization under an arrangement between the institution and such agency or organization, and such work—

(A) will not result in the displacement of employed workers or impair existing contracts for services;

(B) will be governed by such conditions of employment as will be appropriate and reasonable in light of such factors as type of work performed, geographical region, and proficiency of the employee;

(C) does not involve the construction, operation, or maintenance of so much of any facility as is used or is to be used for sectarian instruction or as a place for religious worship; and

(D) will not pay any wage to students employed under this subpart<sup>1</sup> that is less than the current Federal minimum wage as mandated by section 206 of title 29;

(2) provide that funds granted an institution of higher education, pursuant to this section, may be used only to make payments to students participating in work-study programs, except that—

(A) for fiscal year 2000 and succeeding fiscal years, an institution shall use at least 7 percent of the total amount of funds granted to such institution under this section for such fiscal year to compensate students employed in community service, and shall ensure that not less than 1 tutoring or family literacy project (as described in subsection (d) of this section) is included in meeting the requirement of this subparagraph, except that the Secretary may waive this subparagraph if the Secretary determines that enforcing this subparagraph would cause hardship for students at the institution; and

(B) an institution may use a portion of the sums granted to it to meet administrative expenses in accordance with section 1096 of this title, may use a portion of the sums granted to it to meet the cost of a job location and development program in accordance with section 1087-56 of this title, and may transfer funds in accordance with the provisions of section 1095 of this title;

(3) provide that in the selection of students for employment under such work-study program, only students who demonstrate financial need in accordance with part F of this subchapter and meet the requirements of section 1091 of this title will be assisted, except that if the institution's grant under this part is directly or indirectly based in part on the financial need demonstrated by students who are (A) attending the institution on less than a full-time basis, or (B) independent students, a reasonable portion of the grant shall be made available to such students;

(4) provide that for a student employed in a work-study program under this part, at the time income derived from any need-based employment is in excess of the determination of the amount of such student's need by more than \$300, continued employment shall not be subsidized with funds appropriated under this part;

(5) provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement shall not exceed 75 percent, except that—

(A) the Federal share may exceed 75 percent, but not exceed 90 percent, if, consistent with regulations of the Secretary—

(i) the student is employed at a nonprofit private organization or a government agency that—

(I) is not a part of, and is not owned, operated, or controlled by, or under common ownership, operation, or control with, the institution;

(II) is selected by the institution on an individual case-by-case basis for such student; and

(III) would otherwise be unable to afford the costs of such employment; and

(ii) not more than 10 percent of the students compensated through the institution's grant under this part during the academic year are employed in positions for which the Federal share exceeds 75 percent; and

(B) the Federal share may exceed 75 percent if the Secretary determines, pursuant to regulations promulgated by the Secretary establishing objective criteria for such determinations, that a Federal share in excess of such amounts is required in furtherance of the purpose of this part;

(6) include provisions to make employment under such work-study program reasonably available (to the extent of available funds) to all eligible students in the institution in need thereof;

(7) provide assurances that employment made available from funds under this part will, to the maximum extent practicable, complement and reinforce the educational program or vocational goals of each student receiving assistance under this part;

(8) provide assurances, in the case of each proprietary institution, that students attending the proprietary institution receiving assistance under this part who are employed by the institution may be employed in jobs—

(A) that are only on campus and that—

(i) to the maximum extent practicable, complement and reinforce the education programs or vocational goals of such students; and

(ii) furnish student services that are directly related to the student's education, as determined by the Secretary pursuant to regulations, except that no student shall be employed in any position that would involve the solicitation of other potential students to enroll in the school; or

(B) in community service in accordance with paragraph (2)(A) of this subsection;

<sup>1</sup> So in original. Probably should be "part".

(9) provide assurances that employment made available from funds under this part may be used to support programs for supportive services to students with disabilities;

(10) provide assurances that the institution will inform all eligible students of the opportunity to perform community service, and will consult with local nonprofit, governmental, and community-based organizations to identify such opportunities; and

(11) include such other reasonable provisions as the Secretary shall deem necessary or appropriate to carry out the purpose of this part.

**(c) Private sector employment agreement**

As part of its agreement agreement<sup>2</sup> described in subsection (b) of this section, an institution of higher education may, at its option, enter into an additional agreement with the Secretary which shall—

(1) provide for the operation by the institution of a program of part-time employment of its students in work for a private for-profit organization under an arrangement between the institution and such organization that complies with the requirements of subparagraphs (A) through (D) of subsection (b)(1) of this section and subsection (b)(3) of this section;

(2) provide that the institution will use not more than 25 percent of the funds made available to such institution under this part for any fiscal year for the operation of the program described in paragraph (1);

(3) provide that, notwithstanding subsection (b)(5) of this section, the Federal share of the compensation of students employed in such program will not exceed 60 percent for academic years 1987-1988 and 1988-1989, 55 percent for academic year 1989-1990, and 50 percent for academic year 1990-1991 and succeeding academic years, and that the non-Federal share of such compensation will be provided by the private for-profit organization in which the student is employed;

(4) provide that jobs under the work study program will be academically relevant, to the maximum extent practicable; and

(5) provide that the for-profit organization will not use funds made available under this part to pay any employee who would otherwise be employed by the organization.

**(d) Tutoring and literacy activities**

**(1) Use of funds**

In any academic year to which subsection (b)(2)(A) applies, an institution shall ensure that funds granted to such institution under this section are used in accordance with such subsection to compensate (including compensation for time spent in training and travel directly related to tutoring in reading and family literacy activities) students—

(A) employed as reading tutors for children who are preschool age or are in elementary school; or

(B) employed in family literacy projects.

**(2) Priority for schools**

To the extent practicable, an institution shall—

(A) give priority to the employment of students in the provision of tutoring in reading in schools that are participating in a reading reform project that—

(i) is designed to train teachers how to teach reading on the basis of scientifically-based research on reading; and

(ii) is funded under the Elementary and Secondary Education Act of 1965 [20 U.S.C. 6301 et seq.]; and

(B) ensure that any student compensated with the funds described in paragraph (1) who is employed in a school participating in a reading reform project described in subparagraph (A) receives training from the employing school in the instructional practices used by the school.

**(3) Federal share**

The Federal share of the compensation of work-study students compensated under this subsection may exceed 75 percent.

**(e) Civic education and participation activities**

**(1) Use of funds**

Funds granted to an institution under this section may be used to compensate (including compensation for time spent in training and travel directly related to civic education and participation activities) students employed in projects that—

(A) teach civics in schools;

(B) raise awareness of government functions or resources; or

(C) increase civic participation.

**(2) Priority for schools**

To the extent practicable, an institution shall—

(A) give priority to the employment of students participating in projects that educate or train the public about evacuation, emergency response, and injury prevention strategies relating to natural disasters, acts of terrorism, and other emergency situations; and

(B) ensure that any student compensated with the funds described in paragraph (1) receives appropriate training to carry out the educational services required.

**(3) Federal share**

The Federal share of the compensation of work-study students compensated under this subsection may exceed 75 percent.

(Pub. L. 89-329, title IV, §443, as added Pub. L. 99-498, title IV, §403(a), Oct. 17, 1986, 100 Stat. 1432; amended Pub. L. 100-50, §11(b), (c), June 3, 1987, 101 Stat. 348; Pub. L. 102-325, title IV, §§441(a)(2), 443, July 23, 1992, 106 Stat. 563, 564; Pub. L. 103-208, §2(d)(3)-(5), Dec. 20, 1993, 107 Stat. 2470; Pub. L. 105-244, title IV, §443, Oct. 7, 1998, 112 Stat. 1712; Pub. L. 110-315, title IV, §443, Aug. 14, 2008, 122 Stat. 3258; Pub. L. 111-39, title IV, §403, July 1, 2009, 123 Stat. 1945.)

**Editorial Notes**

REFERENCES IN TEXT

The Elementary and Secondary Education Act of 1965, referred to in subsec. (d)(2)(A)(ii), is Pub. L. 89-10,

<sup>2</sup> So in original.

Apr. 11, 1965, 79 Stat. 27, which is classified generally to chapter 70 (§6301 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 6301 of this title and Tables.

#### CODIFICATION

Section was formerly classified to section 2753 of Title 42, The Public Health and Welfare, prior to transfer to this section. See below.

Section was originally enacted as section 123 (and later renumbered section 143) of the Economic Opportunity Act of 1964, Pub. L. 88-452, title I, Aug. 20, 1964, 78 Stat. 514, at which time it was classified to section 2753 of Title 42, The Public Health and Welfare. It was renumbered as section 443 of the Higher Education Act of 1965, Pub. L. 89-329, by Pub. L. 90-575, title I, §131(a), (b)(1), and later editorially transferred to this section to merge with the rest of the Act, which is classified to this chapter. For complete credit information on acts affecting this section prior to Pub. L. 99-498, see Prior Provisions notes below.

#### PRIOR PROVISIONS

A prior section 443 of Pub. L. 89-329, title IV, as added Pub. L. 96-374, title IV, §434, Oct. 3, 1980, 94 Stat. 1434, related to grants for work-study programs, prior to the general revision of this part by Pub. L. 99-498.

Another prior section 443 of Pub. L. 89-329, title IV, formerly Pub. L. 88-452, title I, §143, formerly §123, as added Pub. L. 89-329, title IV, §441(3), Nov. 8, 1965, 79 Stat. 1249; renumbered §143, Pub. L. 90-222, title I, §111(a), Dec. 23, 1967, 81 Stat. 726; renumbered Pub. L. 89-329, title IV, §443, and amended Pub. L. 90-575, title I, §§131(a), (b)(1), 133(a), (b), 139(1), Oct. 16, 1968, 82 Stat. 1028, 1029, 1030; Pub. L. 94-482, title I, §128(b), Oct. 12, 1976, 90 Stat. 2143, provided for grants for work-study programs, prior to repeal by Pub. L. 96-374, title IV, §434, title XIII, §1393, Oct. 3, 1980, 94 Stat. 1434, 1504, eff. Oct 1, 1980.

A prior section 123 of Pub. L. 88-452, title I, Aug. 20, 1964, 78 Stat. 514, which served as the origin of this section, provided for grants for work-study programs, prior to repeal by Pub. L. 89-329, title IV, §441(3), Nov. 8, 1965, 79 Stat. 1249.

#### AMENDMENTS

2009—Subsec. (b)(2). Pub. L. 111-39, §403(1), made technical amendment to reference in original act which appears in introductory provisions as reference to this section.

Subsec. (d)(1). Pub. L. 111-39, §403(2), substituted “subsection (b)(2)(A)” for “subsection (b)(2)(B)”.

Subsec. (e)(1). Pub. L. 111-39, §403(3), struck out “in accordance with such subsection” before “to compensate” in introductory provisions.

2008—Subsec. (b)(2)(A) to (C). Pub. L. 110-315, §443(1), redesignated subpars. (B) and (C) as (A) and (B), respectively, and struck out former subpar. (A) which read as follows: “for fiscal year 1999, an institution shall use at least 5 percent of the total amount of funds granted to such institution under this section in any fiscal year to compensate students employed in community service (including a reasonable amount of time spent in travel or training directly related to such community service), except that the Secretary may waive this subparagraph if the Secretary determines that enforcing it would cause hardship for students at an institution;”.

Subsec. (e). Pub. L. 110-315, §443(2), added subsec. (e). 1998—Subsec. (b)(1). Pub. L. 105-244, §443(a), inserted “, including internships, practica, or research assistantships as determined by the Secretary,” after “part-time employment”.

Pub. L. 105-244, §443(b), (c)(1)(A), substituted “for fiscal year 1999,” for “in fiscal year 1994 and succeeding fiscal years,” inserted “(including a reasonable amount of time spent in travel or training directly related to such community service)” after “community service”, and struck out “and” at end.

Subsec. (b)(2)(B), (C). Pub. L. 105-244, §443(c)(1)(B), (C), added subpar. (B) and redesignated former subpar. (B) as (C).

Subsec. (b)(3). Pub. L. 105-244, §443(d), amended par. (3) generally. Prior to amendment, par. (3) read as follows: “provide that in the selection of students for employment under such work-study program, only students, who demonstrate financial need in accordance with part F of this title, and who meet the requirements of section 1091 of title 20 will be assisted, except that—

“(A) if the institution’s grant under this part is directly or indirectly based in part on the financial need demonstrated by students who are (i) attending the institution less than full time, or (ii) independent students; and

“(B) if the total financial need of all such less than full-time and independent students at the institution exceeds 5 percent of the total financial need of all students at such institution, then at least 5 percent of the grant shall be made available to such less than full-time and independent students;”.

Subsec. (b)(5). Pub. L. 105-244, §443(e), amended par. (5) generally. Prior to amendment, par. (5) read as follows: “provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement shall not exceed 75 percent for academic year 1993-1994 and succeeding academic years, except that the Federal share may exceed such amounts of compensation if the Secretary determines, pursuant to regulations promulgated by the Secretary establishing objective criteria for such determinations, that a Federal share in excess of such amounts is required in furtherance of the purpose of this part;”.

Subsec. (b)(6). Pub. L. 105-244, §443(f), struck out “, and to make equivalent employment offered or arranged by the institution reasonably available (to the extent of available funds) to all students in the institution who desire such employment” after “in need thereof”.

Subsec. (c)(4). Pub. L. 105-244, §443(g), inserted “, to the maximum extent practicable” before the semicolon at end.

Subsec. (d). Pub. L. 105-244, §443(c)(2), added subsec. (d).

1993—Subsec. (b)(2)(A). Pub. L. 103-208, §2(d)(3), substituted “institution; and” for “institution;”.

Subsec. (b)(5). Pub. L. 103-208, §2(d)(4), amended par. (5) generally. Prior to amendment, par. (5) read as follows: “provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement shall not exceed 75 percent for academic year 1993-1994 and succeeding academic years, except that—

“(A) the Federal share may exceed such amounts of such compensation if the Secretary determines, pursuant to regulations promulgated by the Secretary establishing objective criteria for such determinations, that a Federal share in excess of such amounts is required in furtherance of the purpose of this part; and

“(B) when a student engaged in work in community service performs such work for a private nonprofit organization other than the eligible institution, the contribution of such agency or organization shall not exceed 40 percent of the institution’s share of the compensation of the student, and the eligible institution in its discretion may count such contribution toward satisfaction of the non-Federal share of the compensation of the student;”.

Subsec. (b)(8)(A) to (C). Pub. L. 103-208, §2(d)(5), added subpars. (A) and (B) and struck out former subpars. (A) to (C) which read as follows:

“(A) on campus only, except as required in subparagraph (A) of paragraph (2);

“(B) that, to the maximum extent practicable, complement and reinforce the educational programs or vocational goals of such students; and

“(C) furnishing student services that are directly related to the student’s education, as determined by the Secretary pursuant to regulations, except that no stu-

dent shall be employed in any position that would involve the solicitation of other potential students to enroll in the school;”.

1992—Pub. L. 102-325, §441(a)(2), inserted “Federal” after “Grants for” in section catchline.

Subsec. (b)(1). Pub. L. 102-325, §443(a), inserted “, work in community service” after “institution itself”.

Subsec. (b)(2)(A). Pub. L. 102-325, §443(b), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “an institution may use not to exceed 10 percent of the funds granted to the institution in any fiscal year to carry out the work study program described in section 1087-57 of this title at the increased Federal share specified in paragraph (5)(B) of this subsection, and”.

Subsec. (b)(3) to (5). Pub. L. 102-325, §443(c)–(e), amended par. (3) to (5) generally. Prior to amendment, pars. (3) to (5) read as follows:

“(3) provide that in the selection of students for employment under such work-study program, only students who demonstrate financial need in accordance with part F of this title, and who meet the requirements of section 1091 of title 20 will be assisted, except that, if the institution’s grant under this part is directly or indirectly based in part on the financial need demonstrated by students attending the institution less than full time, a reasonable proportion of the institution’s grant shall be made available to such students;

“(4) provide that for a student employed in a work-study program under this part, at the time income derived from any employment (including non-work-study or both) is in excess of the determination of the amount of such student’s need by more than \$200, continued employment shall not be subsidized with funds appropriated under this part;

“(5) provide that the Federal share of the compensation of students employed in the work study program in accordance with the agreement will not exceed 80 percent for academic years 1987-1988 and 1988-1989, 75 percent for academic year 1989-1990, and 70 percent for academic year 1990-1991 and succeeding academic years, except that—

“(A) the Federal share may exceed such amounts of such compensation if the Secretary determines, pursuant to regulations promulgated by the Secretary establishing objective criteria for such determinations, that a Federal share in excess of such amounts is required in furtherance of the purpose of this part; and

“(B) the Federal share of the compensation of the students employed in the work study for community service-learning programs described in section 1087-57 of this title from funds available under paragraph (2)(A) in accordance with the agreement will not exceed 90 percent of such compensation;”.

Subsec. (b)(8)(A). Pub. L. 102-325, §443(f)(1), inserted “, except as required in subparagraph (A) of paragraph (2)” before semicolon at end.

Subsec. (b)(8)(C). Pub. L. 102-325, §443(f)(2), (g)(2), inserted “that are directly related to the student’s education” after “student services” and struck out “and” at end.

Subsec. (b)(9) to (11). Pub. L. 102-325, §443(g)(1), (3), added pars. (9) and (10) and redesignated former par. (9) as (11).

1987—Subsec. (b). Pub. L. 100-50, §11(b), substituted “paragraph (5)(B)” for “clause (6)(B)” in par. (2)(A), and “paragraph (2)(A)” for “clause (2)(A)” in par. (5)(B).

Subsec. (c). Pub. L. 100-50, §11(c), substituted “As part of its agreement” for “In addition to the” and inserted “and subsection (b)(3) of this section” before semicolon at end of par. (1).

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2009 AMENDMENT

Amendment by Pub. L. 111-39 effective as if enacted on Aug. 14, 2008, see section 3 of Pub. L. 111-39, set out as a note under section 1001 of this title.

##### EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-244 effective Oct. 1, 1998, except as otherwise provided in Pub. L. 105-244, see section 3 of Pub. L. 105-244, set out as a note under section 1001 of this title.

##### EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-208 effective as if included in the Higher Education Amendments of 1992, Pub. L. 102-325, except as otherwise provided, see section 5(a) of Pub. L. 103-208, set out as a note under section 1051 of this title.

##### EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-325 effective Oct. 1, 1992, see section 2 of Pub. L. 102-325, set out as a note under section 1001 of this title.

##### EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100-50 effective as if enacted as part of the Higher Education Amendments of 1986, Pub. L. 99-498, see section 27 of Pub. L. 100-50, set out as a note under section 1001 of this title.

##### EFFECTIVE DATE

Pub. L. 99-498, title IV, §403(b)(2), formerly §403(b), Oct. 17, 1986, 100 Stat. 1437, as renumbered by Pub. L. 100-50, §22(c), June 3, 1987, 101 Stat. 361, provided that: “Sections 443(c), 446, and 447 of the Act [20 U.S.C. 1087-53(c), 1087-56, and 1087-57] as amended by this section shall apply to periods of enrollment beginning on or after July 1, 1987.”

#### § 1087-54. Sources of matching funds

Nothing in this part shall be construed as restricting the source (other than this part) from which the institution may pay its share of the compensation of a student employed under a work-study program covered by an agreement under this part, and such share may be paid to such student in the form of services and equipment (including tuition, room, board, and books) furnished by such institution.

(Pub. L. 89-329, title IV, §444, as added Pub. L. 99-498, title IV, §403(a), Oct. 17, 1986, 100 Stat. 1435.)

#### Editorial Notes

##### CODIFICATION

Section was formerly classified to section 2754 of Title 42, The Public Health and Welfare, prior to transfer to this section. See note below.

Section was originally enacted as section 124 (and later renumbered section 144) of the Economic Opportunity Act of 1964, Pub. L. 88-452, at which time it was classified to section 2754 of Title 42, The Public Health and Welfare. It was renumbered as section 444 of title IV of the Higher Education Act of 1965, Pub. L. 89-329, by Pub. L. 90-575, §131(a), (b)(1), and later editorially transferred to this section to merge with the rest of the Act, which is classified to this chapter.

##### PRIOR PROVISIONS

A prior section 444 of Pub. L. 89-329, title IV, formerly Pub. L. 88-452, title I, §144, formerly §124, Aug. 20, 1964, 78 Stat. 514; Pub. L. 89-253, §10, Oct. 9, 1965, 79 Stat. 974; Pub. L. 89-329, title IV, §441(1), (4), (5), Nov. 8, 1965, 79 Stat. 1249; Pub. L. 90-82, §§1, 2, Sept. 6, 1967, 81 Stat. 194; renumbered §144, Pub. L. 90-222, title I, §111(a), Dec. 23, 1967, 81 Stat. 726; renumbered Pub. L. 89-329, title IV, §444, and amended Pub. L. 90-575, title I, §§131(a), (b)(1), 133(a), (c), 134, 136, 137, 138, 139(2), Oct. 16, 1968, 82 Stat. 1028, 1029, 1030; Pub. L. 92-318, title I, §§135C(a)(1), 135D, 135E, June 23, 1972, 86 Stat. 271; Pub. L. 94-482, title I,

§128(c), Oct. 12, 1976, 90 Stat. 2143, set out conditions required of agreements with eligible institutions, prior to repeal by Pub. L. 96-374, title IV, §434, title XIII, §1393, Oct. 3, 1980, 94 Stat. 1434, 1504, eff. Oct. 1, 1980. See section 1087-53(b) of this title.

Provisions similar to this section were contained in section 1087-55 of this title prior to the general revision of this part by Pub. L. 99-498.

### § 1087-55. Flexible use of funds

#### (a) Carry-over authority

(1) Of the sums granted to an eligible institution under this part for any fiscal year, 10 percent may, at the discretion of the institution, remain available for expenditure during the succeeding fiscal year to carry out programs under this part.

(2) Any of the sums so granted to an institution for a fiscal year which are not needed by that institution to operate work-study programs during that fiscal year, and which it does not wish to use during the next fiscal year as authorized in the preceding sentence, shall remain available to the Secretary for making grants under section 1087-53 of this title to other institutions in the same State until the close of the second fiscal year next succeeding the fiscal year for which such funds were appropriated.

#### (b) Carry-back authority

(1) Up to 10 percent of the sums the Secretary determines an eligible institution may receive from funds which have been appropriated for a fiscal year may be used by the Secretary to make grants under this part to such institution for expenditure during the fiscal year preceding the fiscal year for which the sums were appropriated.

(2) An eligible institution may make payments to students of wages earned after the end of the academic year, but prior to the beginning of the succeeding fiscal year, from such succeeding fiscal year's appropriations.

#### (c) Flexible use of funds

An eligible institution may, upon the request of a student, make payments to the student under this part by crediting the student's account at the institution or by making a direct deposit to the student's account at a depository institution. An eligible institution may only credit the student's account at the institution for (1) tuition and fees, (2) in the case of institutionally owned housing, room and board, and (3) other institutionally provided goods and services.

#### (d) Flexibility in the event of a major disaster

##### (1) In general

In the event of a major disaster, an eligible institution located in any area affected by such major disaster, as determined by the Secretary, may make payments under this part to disaster-affected students, for the period of time (not to exceed one academic year) in which the disaster-affected students were prevented from fulfilling the students' work-study obligations as described in paragraph (2)(A)(iii), as follows:

(A) Payments may be made under this part to disaster-affected students in an amount equal to or less than the amount of wages

such students would have been paid under this part had the students been able to complete the work obligation necessary to receive work study funds.

(B) Payments shall not be made to any student who was not eligible for work study or was not completing the work obligation necessary to receive work study funds under this part prior to the occurrence of the major disaster.

(C) Any payments made to disaster-affected students under this subsection shall meet the matching requirements of section 1087-53 of this title, unless such matching requirements are waived by the Secretary.

#### (2) Definitions

In this subsection:

(A) The term "disaster-affected student" means a student enrolled at an eligible institution who—

(i) received a work-study award under this section for the academic year during which a major disaster occurred;

(ii) earned Federal work-study wages from such eligible institution for such academic year;

(iii) was prevented from fulfilling the student's work-study obligation for all or part of such academic year due to such major disaster; and

(iv) was unable to be reassigned to another work-study job.

(B) The term "major disaster" has the meaning given such term in section 5122(2) of title 42.

(Pub. L. 89-329, title IV, §445, as added Pub. L. 99-498, title IV, §403(a), Oct. 17, 1986, 100 Stat. 1435; amended Pub. L. 102-325, title IV, §444, July 23, 1992, 106 Stat. 566; Pub. L. 105-244, title IV, §444, Oct. 7, 1998, 112 Stat. 1714; Pub. L. 110-315, title IV, §444, Aug. 14, 2008, 122 Stat. 3259.)

#### Editorial Notes

##### CODIFICATION

Section was formerly classified to section 2755 of Title 42, The Public Health and Welfare, prior to transfer to this section. See note below.

Section was originally enacted as section 125 (and later renumbered section 145) of the Economic Opportunity Act of 1964, Pub. L. 88-452, at which time it was classified to section 2755 of Title 42, The Public Health and Welfare. It was renumbered as section 445 of title IV of the Higher Education Act of 1965, Pub. L. 89-329, by Pub. L. 90-575, §131(a), (b)(1), and later editorially transferred to this section to merge with the rest of the Act, which is classified to this chapter. For complete credit information on acts affecting this section prior to Pub. L. 99-498, see Prior Provisions note below.

##### PRIOR PROVISIONS

A prior section 445 of Pub. L. 89-329, title IV, formerly Pub. L. 88-452, title I, §145, formerly §125, Aug. 20, 1964, 78 Stat. 516; Pub. L. 89-329, title IV, §441(6), Nov. 8, 1965, 79 Stat. 1250; renumbered §145, Pub. L. 90-222, title I, §111(a), Dec. 23, 1967, 81 Stat. 726; renumbered Pub. L. 89-329, title IV, §445, by Pub. L. 90-575, title I, §131(a), (b)(1), Oct. 16, 1968, 82 Stat. 1028, related to sources of matching funds, prior to the general revision of this part by Pub. L. 99-498. See section 1087-54 of this title.

##### AMENDMENTS

2008—Subsec. (d). Pub. L. 110-315 added subsec. (d).

1998—Subsec. (c). Pub. L. 105-244 added subsec. (c).  
 1992—Subsec. (b). Pub. L. 102-325 designated existing provisions as par. (1) and added par. (2).

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-244 effective Oct. 1, 1998, except as otherwise provided in Pub. L. 105-244, see section 3 of Pub. L. 105-244, set out as a note under section 1001 of this title.

##### EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-325 effective Oct. 1, 1992, see section 2 of Pub. L. 102-325, set out as a note under section 1001 of this title.

### § 1087-56. Job location and development programs

#### (a) Agreements required

(1) The Secretary is authorized to enter into agreements with eligible institutions under which such institution may use not more than 10 percent or \$75,000 of its allotment under section 1087-52 of this title, whichever is less, to establish or expand a program under which such institution, separately or in combination with other eligible institutions, locates and develops jobs, including community service jobs, for currently enrolled students.

(2) Jobs located and developed under this section shall be jobs that are suitable to the scheduling and other needs of such students and that, to the maximum extent practicable, complement and reinforce the educational programs or vocational goals of such students.

#### (b) Contents of agreements

Agreements under subsection (a) of this section shall—

(1) provide that the Federal share of the cost of any program under this section will not exceed 80 percent of such cost;

(2) provide satisfactory assurance that funds available under this section will not be used to locate or develop jobs at an eligible institution;

(3) provide satisfactory assurance that funds available under this section will not be used for the location or development of jobs for students to obtain upon graduation, but rather for the location and development of jobs available to students during and between periods of attendance at such institution;

(4) provide satisfactory assurance that the location or development of jobs pursuant to programs assisted under this section will not result in the displacement of employed workers or impair existing contracts for services;

(5) provide satisfactory assurance that Federal funds used for the purpose of this section can realistically be expected to help generate student wages exceeding, in the aggregate, the amount of such funds, and that if such funds are used to contract with another organization, appropriate performance standards are part of such contract; and

(6) provide that the institution will submit to the Secretary an annual report on the uses made of funds provided under this section and an evaluation of the effectiveness of such program in benefiting the students of such institution.

(Pub. L. 89-329, title IV, §446, as added Pub. L. 99-498, title IV, §403(a), Oct. 17, 1986, 100 Stat. 1435; amended Pub. L. 100-50, §11(d), June 3, 1987, 101 Stat. 348; Pub. L. 102-325, title IV, §445, July 23, 1992, 106 Stat. 566; Pub. L. 110-315, title IV, §445, Aug. 14, 2008, 122 Stat. 3260.)

#### Editorial Notes

##### CODIFICATION

Section was formerly classified to section 2756 of Title 42, The Public Health and Welfare, prior to transfer to this section. See note below.

Section was originally enacted as section 126 of the Economic Opportunity Act of 1964, Pub. L. 88-452, at which time it was classified to section 2756 of Title 42, The Public Health and Welfare. It was renumbered as section 446 of title IV of the Higher Education Act of 1965, Pub. L. 89-329, by Pub. L. 90-575, §131(a), (b)(2), and later editorially transferred to this section to merge with the rest of the Act, which is classified to this chapter. For complete credit information on acts affecting this section prior to Pub. L. 99-498, see Prior Provisions note below.

##### PRIOR PROVISIONS

A prior section 446 of Pub. L. 89-329, title IV, formerly Pub. L. 88-452, title I, §126, Aug. 20, 1964, 78 Stat. 516; Pub. L. 89-329, title IV, §441(1), Nov. 8, 1965, 79 Stat. 1249; renumbered Pub. L. 89-329, title IV, §446, and amended Pub. L. 90-575, title I, §§131(a), (b)(2), 133(a), Oct. 16, 1968, 82 Stat. 1028, 1029; Pub. L. 94-43, §2, June 28, 1975, 89 Stat. 233; Pub. L. 96-374, title IV, §435, title XIII, §1391(a)(1), Oct. 3, 1980, 94 Stat. 1435, 1503, related to equitable distribution of assistance, prior to the general revision of this part by Pub. L. 99-498.

Provisions similar to this section were contained in section 1087-57 of this title prior to the general revision of this part by Pub. L. 99-498.

##### AMENDMENTS

2008—Subsec. (a)(1). Pub. L. 110-315 substituted “\$75,000” for “\$50,000”.

1992—Pub. L. 102-325 amended section generally, restating subsecs. (a) and (b) with changes in substance and structure and striking out subsec. (c) which defined “community services”.

1987—Subsec. (b)(3) to (7). Pub. L. 100-50 redesignated pars. (4) to (7) as (3) to (6), respectively, and struck out former par. (3) which read as follows: “provide satisfactory assurance that the institution will continue to spend in its own job location and development programs, from sources other than funds received under this section, not less than the average expenditures per year made during the most recent 3 fiscal years preceding the effective date of the agreement;”.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-325 effective Oct. 1, 1992, see section 2 of Pub. L. 102-325, set out as a note under section 1001 of this title.

##### EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100-50 effective as if enacted as part of the Higher Education Amendments of 1986, Pub. L. 99-498, see section 27 of Pub. L. 100-50, set out as a note under section 1001 of this title.

##### EFFECTIVE DATE

Section applicable to periods of enrollment beginning on or after July 1, 1987, see section 403(b)(2) of Pub. L. 99-498, set out as a note under section 1087-53 of this title.

**§ 1087-57. Additional funds to conduct community service work-study programs**

**(a) Community service-learning**

Each institution participating under this part may use up to 10 percent of the funds made available under section 1096(a) of this title and attributable to the amount of the institution's expenditures under this part to conduct that institution's program of community service-learning, including—

- (1) development of mechanisms to assure the academic quality of the student experience,
- (2) assuring student access to educational resources, expertise, and supervision necessary to achieve community service objectives, and
- (3) collaboration with public and private nonprofit agencies, and programs assisted under the National and Community Service Act of 1990 [42 U.S.C. 12501 et seq.] in the planning, development, and administration of such programs.

**(b) Off-campus community service**

**(1) Grants authorized**

In addition to funds made available under section 1087-53(b)(2)(A) of this title, the Secretary is authorized to award grants to institutions participating under this part to supplement off-campus community service employment.

**(2) Use of funds**

An institution shall ensure that funds granted to such institution under this subsection are used in accordance with section 1087-53(b)(2)(A) of this title to recruit and compensate students (including compensation for time spent in training and for travel directly related to such community service).

**(3) Priority**

In awarding grants under this subsection, the Secretary shall give priority to applications that support postsecondary students assisting with early childhood education activities and activities in preparation for emergencies and natural disasters.

**(4) Authorization of appropriations**

There are authorized to be appropriated to carry out this subsection such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

(Pub. L. 89-329, title IV, § 447, as added Pub. L. 99-498, title IV, § 403(a), Oct. 17, 1986, 100 Stat. 1436; amended Pub. L. 102-325, title IV, § 446(a), (b), July 23, 1992, 106 Stat. 567; Pub. L. 110-315, title IV, § 446, Aug. 14, 2008, 122 Stat. 3260.)

**Editorial Notes**

REFERENCES IN TEXT

The National and Community Service Act of 1990, referred to in subsec. (a)(3), is Pub. L. 101-610, Nov. 16, 1990, 104 Stat. 3127, which is classified principally to chapter 129 (§12501 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 12501 of Title 42 and Tables.

CODIFICATION

Section was formerly classified to section 2756a of Title 42, The Public Health and Welfare, prior to transfer to this section.

PRIOR PROVISIONS

A prior section 447 of Pub. L. 89-329, title IV, as added Pub. L. 92-318, title I, § 135F, June 23, 1972, 86 Stat. 271; amended Pub. L. 94-482, title I, § 128(d), Oct. 12, 1976, 90 Stat. 2143; Pub. L. 96-374, title IV, § 436, title XIII, § 1391(a)(1), Oct. 3, 1980, 94 Stat. 1436, 1503, related to job location and development programs and agreements with eligible institutions, prior to the general revision of this part by Pub. L. 99-498. See section 1087-56 of this title.

Provisions similar to this section were contained in section 1087-58 of this title prior to the general revision of this part by Pub. L. 99-498.

AMENDMENTS

2008—Pub. L. 110-315 redesignated existing provisions as subsec. (a), inserted heading, and added subsec. (b).

1992—Pub. L. 102-325 amended section catchline generally, struck out subsecs. (a) and (b) which related to purpose and definitions, respectively, struck out subsec. (c) designation and heading before "Each institution participating", substituted "up to 10 percent of the funds made available under section 1096(a) of this title and attributable to the amount of the institution's expenditures under this part" for "funds made available under the last sentence of section 1096(a) of this title", and inserted ", and programs assisted under the National and Community Service Act of 1990" after "nonprofit agencies".

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-325 effective Oct. 1, 1992, see section 2 of Pub. L. 102-325, set out as a note under section 1001 of this title.

EFFECTIVE DATE

Section applicable to periods of enrollment beginning on or after July 1, 1987, see section 403(b)(2) of Pub. L. 99-498, set out as a note under section 1087-53 of this title.

**§ 1087-58. Work colleges**

**(a) Purpose**

The purpose of this section is to recognize, encourage, and promote the use of comprehensive work-learning-service programs as a valuable educational approach when it is an integral part of the institution's educational program and a part of a financial plan which decreases reliance on grants and loans.

**(b) Source and use of funds**

**(1) Source of funds**

In addition to the sums appropriated under subsection (f) of this section, funds allocated to the institution under this part and part E of this subchapter may be transferred for use under this section to provide flexibility in strengthening the self-help-through-work element in financial aid packaging.

**(2) Activities authorized**

From the sums appropriated pursuant to subsection (f) of this section, and from the funds available under paragraph (1), eligible institutions may, following approval of an application under subsection (c) of this section by the Secretary—

- (A) support the educational costs of qualified students through self-help payments or credits provided under the work-learning-service program of the institution within the limits of part F of this subchapter;

(B) promote the work-learning-service experience as a tool of postsecondary education, financial self-help and community service-learning opportunities;

(C) carry out activities described in section 1087-53 or 1087-56 of this title;

(D) be used for the administration, development and assessment of comprehensive work-learning-service programs, including—

(i) community-based work-learning-service alternatives that expand opportunities for community service and career-related work; and

(ii) alternatives that develop sound citizenship, encourage student persistence, and make optimum use of assistance under this part in education and student development;

(E) coordinate and carry out joint projects and activities to promote work service learning; and

(F) carry out a comprehensive, longitudinal study of student academic progress and academic and career outcomes, relative to student self-sufficiency in financing their higher education, repayment of student loans, continued community service, kind and quality of service performed, and career choice and community service selected after graduation.

#### (c) Application

Each eligible institution may submit an application for funds authorized by subsection (f) of this section to use funds under subsection (b)(1) of this section at such time and in such manner as the Secretary, by regulation, may reasonably require.

#### (d) Match required

Funds made available to work-colleges pursuant to this section shall be matched on a dollar-for-dollar basis from non-Federal sources.

#### (e) Definitions

For the purpose of this section—

(1) the term “work college” means an eligible institution that—

(A) has been a public or private nonprofit, four-year, degree-granting institution with a commitment to community service;

(B) has operated a comprehensive work-learning-service program for at least two years;

(C) requires students, including at least one-half of all students who are enrolled on a full-time basis, to participate in a comprehensive work-learning-service program for at least five hours each week, or at least 80 hours during each period of enrollment, except summer school, unless the student is engaged in an institutionally organized or approved study abroad or externship program; and

(D) provides students participating in the comprehensive work-learning-service program with the opportunity to contribute to their education and to the welfare of the community as a whole; and

(2) the term “comprehensive student work-learning-service program” means a student work-learning-service program that—

(A) is an integral and stated part of the institution’s educational philosophy and program;

(B) requires participation of all resident students for enrollment and graduation;

(C) includes learning objectives, evaluation, and a record of work performance as part of the student’s college record;

(D) provides programmatic leadership by college personnel at levels comparable to traditional academic programs;

(E) recognizes the educational role of work-learning-service supervisors; and

(F) includes consequences for nonperformance or failure in the work-learning-service program similar to the consequences for failure in the regular academic program.

#### (f) Authorization of appropriations

There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

(Pub. L. 89-329, title IV, § 448, as added Pub. L. 102-325, title IV, § 447, July 23, 1992, 106 Stat. 567; amended Pub. L. 105-244, title IV, § 445, Oct. 7, 1998, 112 Stat. 1714; Pub. L. 110-315, title IV, § 447, Aug. 14, 2008, 122 Stat. 3260.)

#### Editorial Notes

##### CODIFICATION

Section was formerly classified to section 2756b of Title 42, The Public Health and Welfare, prior to transfer to this section.

##### PRIOR PROVISIONS

A prior section 448 of Pub. L. 89-329, title IV, as added Pub. L. 96-374, title IV, § 437, Oct. 3, 1980, 94 Stat. 1436, which related to work study programs for community service-learning, was omitted in the general revision of this part by Pub. L. 99-498, title IV, § 403(a), Oct. 17, 1986, 100 Stat. 1429. See section 1087-57 of this title.

##### AMENDMENTS

2008—Subsecs. (a), (b)(2)(A), (D). Pub. L. 110-315, § 447(1), substituted “work-learning-service” for “work-learning” wherever appearing.

Subsec. (e). Pub. L. 110-315, § 447(2), added subsec. (e) and struck out former subsec. (e) which defined “work-college” and “comprehensive student work-learning program”.

Subsec. (f). Pub. L. 110-315, § 447(3), substituted “such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years” for “\$5,000,000 for fiscal year 1999 and such sums as may be necessary for each of the 4 succeeding fiscal years”.

1998—Subsec. (b)(2)(E), (F). Pub. L. 105-244, § 445(1), added subpars. (E) and (F).

Subsec. (f). Pub. L. 105-244, § 445(2), substituted “1999” for “1993”.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-244 effective Oct. 1, 1998, except as otherwise provided in Pub. L. 105-244, see section 3 of Pub. L. 105-244, set out as a note under section 1001 of this title.

##### EFFECTIVE DATE

Section effective Oct. 1, 1992, see section 2 of Pub. L. 102-325, set out as an Effective Date of 1992 Amendment note under section 1001 of this title.

PART D—WILLIAM D. FORD FEDERAL DIRECT  
LOAN PROGRAM

**Editorial Notes**

CODIFICATION

Parts A to J of title IV of the Higher Education Act of 1965, Pub. L. 89-329 (“the HEA”), would typically have been classified to parts A to J of this subchapter. However, part C of title IV of the HEA could not be classified to part C of this subchapter when it was enacted because it amended and related to various provisions of the Economic Opportunity Act of 1964, Pub. L. 88-452, which were classified to Title 42, The Public Health and Welfare. As a result, parts D to J of title IV of the HEA were editorially designated as parts C to I of this subchapter to fill the gap left in the Code by the absence of a part C. That original part C of title IV of the HEA was subsequently repealed, and part C of title I of the Economic Opportunity Act of 1964 was redesignated to become a new part C of title IV of the HEA. In order to merge the pieces of the HEA together after the redesignation and logically realign the part structure of the HEA with that of the Code, part C of title IV of the HEA was editorially transferred from its original location in part C (§2751 et seq.) of subchapter I of chapter 34 of Title 42 to part C (§1087-51 et seq.) of this subchapter, and subsequent parts D to I of title IV of the HEA were redesignated as parts D to I of this subchapter. Part J of title IV of the HEA was omitted instead of redesignated as part J of this subchapter because it had already been transferred to another part of the HEA.

PRIOR PROVISIONS

A prior part D, consisting of part E of title IV of Pub. L. 89-329, was redesignated part E of this subchapter.

**§ 1087a. Program authority**

**(a) In general**

There are hereby made available, in accordance with the provisions of this part, such sums as may be necessary (1) to make loans to all eligible students (and the eligible parents of such students) in attendance at participating institutions of higher education selected by the Secretary, to enable such students to pursue their courses of study at such institutions during the period beginning July 1, 1994; and (2) for purchasing loans under section 1087i-1 of this title. Loans made under this part shall be made by participating institutions, or consortia thereof, that have agreements with the Secretary to originate loans, or by alternative originators designated by the Secretary to make loans for students in attendance at participating institutions (and their parents).

**(b) Designation**

**(1) Program**

The program established under this part shall be referred to as the “William D. Ford Federal Direct Loan Program”.

**(2) Direct loans**

Notwithstanding any other provision of this part, loans made to borrowers under this part that, except as otherwise specified in this part, have the same terms, conditions, and benefits as loans made to borrowers under section 1078 of this title, shall be known as “Federal Direct Stafford/Ford Loans”.

(Pub. L. 89-329, title IV, §451, as added Pub. L. 99-498, title IV, §404, Oct. 17, 1986, 100 Stat. 1437;

amended Pub. L. 102-325, title IV, §451, July 23, 1992, 106 Stat. 569; Pub. L. 103-66, title IV, §402I, Aug. 10, 1993, 107 Stat. 341; Pub. L. 103-382, title III, §358A, Oct. 20, 1994, 108 Stat. 3968; Pub. L. 110-227, §7(a), May 7, 2008, 122 Stat. 746; Pub. L. 116-260, div. FF, title VII, §702(a)(2), Dec. 27, 2020, 134 Stat. 3138.)

AMENDMENT OF SECTION

*Pub. L. 116-260, div. FF, title VII, §§701(b), 702(a)(2), Dec. 27, 2020, 134 Stat. 3137, 3138; Pub. L. 117-103, div. R, §102(a), Mar. 15, 2022, 136 Stat. 819, provided that, effective July 1, 2024, except as otherwise expressly provided, and applicable with respect to award year 2024-2025 and each subsequent award year, as determined under this chapter, this section is amended by adding at the end the following:*

*(c) Maximum aid*

*The maximum dollar amount of financial assistance provided under this part to a student shall not exceed the cost of attendance for such student.*

*See 2020 Amendment note below.*

**Editorial Notes**

PRIOR PROVISIONS

A prior section 1087a, Pub. L. 89-329, title IV, §451, as added Pub. L. 90-575, title I, §141, Oct. 16, 1968, 82 Stat. 1031; amended Pub. L. 92-318, title I, §136(a), (b)(1), June 23, 1972, 86 Stat. 272, authorized appropriations for cooperative education programs from the fiscal year ending June 30, 1969, through the fiscal year ending prior to July 1, 1975, prior to repeal by Pub. L. 94-482, title I, §129(a), Oct. 12, 1976, 90 Stat. 2144, eff. 30 days after Oct. 12, 1976.

AMENDMENTS

2020—Subsec. (c). Pub. L. 116-260 added subsec. (c).

2008—Subsec. (a). Pub. L. 110-227, in first sentence, inserted “(1)” before “to make loans” and “; and (2) for purchasing loans under section 1087i-1 of this title” before period at end and, in second sentence, substituted “Loans made under this part shall” for “Such loans shall”.

1994—Pub. L. 103-382 designated existing provisions as subsec. (a), added heading, and added subsec. (b).

1993—Pub. L. 103-66 amended section generally, substituting provisions relating to program authority for former provisions relating to program and payment authority.

1992—Pub. L. 102-325 amended section generally, substituting provisions relating to program and payment authority for Federal direct loan demonstration program for former provisions relating to statement of purpose of income contingent direct loan demonstration project.

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE OF 2020 AMENDMENT

Amendment by Pub. L. 116-260 effective July 1, 2024, except as otherwise expressly provided, and applicable with respect to award year 2024-2025 and each subsequent award year, as determined under this chapter, see section 701(b) of Pub. L. 116-260, set out as a note under section 1001 of this title.

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-325 effective Oct. 1, 1992, see section 2 of Pub. L. 102-325, set out as a note under section 1001 of this title.

INCOME CONTINGENT LOAN DISTRIBUTION OF FUNDS

Pub. L. 102-325, title IV, §452, July 23, 1992, 106 Stat. 575, provided that: