### 108TH CONGRESS 1ST SESSION

## H. R. 3408

To amend the Higher Education Act of 1965 to improve college access through experiential education.

## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 30, 2003

Mr. BISHOP of New York (for himself, Mr. George Miller of California, Mr. Payne, Mr. Holt, Mr. Kildee, Mr. Case, Mr. Grijalva, Mr. Ryan of Ohio, Mr. Davis of Illinois, Mr. Andrews, Mr. Van Hollen, Ms. McCollum, Mr. Owens, Mr. Kucinich, Mr. Hinojosa, Ms. Majette, Mrs. McCarthy of New York, and Mr. Tierney) introduced the following bill; which was referred to the Committee on Education and the Workforce

## A BILL

To amend the Higher Education Act of 1965 to improve college access through experiential education.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "College and Job Op-
- 5 portunities for the Future Act".
- 6 SEC. 2. FINDINGS.
- 7 The Congress finds the following:

- 1 (1) Over 15 million students are enrolled in in-2 stitutions of higher education.
  - (2) It is projected that the number of students enrolling in higher education will increase by 20 percent by the year 2011. At that time, more students will be attending college than in any other time in history.
    - (3) Of those students already enrolled in undergraduate higher education, 55 percent receive some type of student aid averaging \$6,265 per year, with 72 percent of full-time undergraduates receiving some type of aid averaging \$8,580 per year.
    - (4) Average tuition at both public and private four-year colleges and universities rose 38 percent over the past ten years, while educational grants, such as the Pell Grant, have essentially remained stagnant.
    - (5) In 1974, the maximum Pell Grant of \$1,050 covered 31 percent of tuition and fees at a private, 4-year college and 60 percent at a public school. Today, the \$4,050 maximum will cover only 17 percent of private college costs and 42 percent at a public college.

- 1 (6) The average 4-year college graduate accumulates over \$16,000 in debt, with monthly payments of almost \$200.
  - (7) The nations' unemployment rate has risen to 6.4 percent, the highest level in 9 years, making it increasingly difficult for college graduates to find jobs.
  - (8) Cooperative education, a program that allows students to work in paid, full- or part-time jobs, most often for academic credit, offers college students a number of resources to offset this admittedly adverse climate.
  - (9) Salaries earned by students working on cooperative education placements may be used to defray education-related expenses, and reduce amounts students may be required to borrow. In this way, cooperative education addresses, in a very positive fashion, the important issues of access and affordability.
  - (10) Many, many studies have demonstrated that students who participate in cooperative education placements persist through to graduation in greater numbers than those who have not.
  - (11) The skilled job training that cooperative education students receive, coupled with their gen-

- eral exposure to the world of work, makes students
  more attractive to potential employers when they
  enter the job market. In fact, approximately 80 percent of co-op students are offered permanent positions by their cooperative education employer upon
  graduation.
- 7 (12) There are a number of goals associated 8 with reauthorization of the Higher Education Act. 9 These goals include improving access and afford-10 ability, improving graduation rates, and improving 11 employment prospects for graduates. Cooperative 12 education assists students in all of these areas in a 13 very positive and cost effective fashion.
- 14 (13) Cooperative education is cost effective, in 15 that it represents a relatively modest expenditure of 16 Federal resources which provides students with ac-17 cess to more substantial private resources.
- 18 SEC. 3. REENACTMENT OF TITLE VIII: COOPERATIVE EDU-
- 19 CATION.
- The Higher Education Act of 1965 (20 U.S.C. 1101
- 21 et seq.) is amended by adding at the end the following
- 22 title:

# "TITLE VIII—COOPERATIVEEDUCATION

2	EDUCATION
3	"SEC. 801. STATEMENT OF PURPOSE; DEFINITION.
4	"(a) Purpose.—It is the purpose of this title to
5	award grants to institutions of higher education or com-
6	binations of such institutions to encourage such institu-
7	tions to develop and make available to as many of their
8	students as possible work experience that will aid such stu-
9	dents in future careers and will enable such students to
10	support themselves financially while in school.
11	"(b) Definition.—For the purpose of this title the
12	term 'cooperative education' means the provision of alter-
13	nating or parallel periods of academic study and public
14	or private employment in order to give students work expe-
15	riences related to their academic or occupational objectives
16	and an opportunity to earn the funds necessary for con-
17	tinuing and completing their education.
18	"SEC. 802. AUTHORIZATION OF APPROPRIATIONS; RES-
19	ERVATIONS.
20	"(a) Appropriations Authorized.—There are au-
21	thorized to be appropriated to carry out this title
22	\$30,000,000 for fiscal year 2004 and such sums as may
23	be necessary for each of the 5 succeeding fiscal years.

"(b) Reservations.—Of the amount appropriated

25 in each fiscal year—

1	"(1) not less than 50 percent shall be available
2	for carrying out grants to institutions of higher edu-
3	cation and combinations of such institutions de-
4	scribed in section 803(a)(1)(A) for cooperative edu-
5	cation under section 803;
6	"(2) not less than 25 percent shall be available
7	for carrying out grants to institutions of higher edu-
8	cation described in section 803(a)(1)(B) for coopera-
9	tive education under section 803;
10	"(3) not to exceed 11 percent shall be available
11	for demonstration projects under paragraph (1) of
12	section 804(a);
13	"(4) not to exceed 11 percent shall be available
14	for training and resource centers under paragraph
15	(2) of section 804(a); and
16	"(5) not to exceed 3 percent shall be available
17	for research under paragraph (3) of section 804(a).
18	"(c) Availability of Appropriations.—Appro-
19	priations under this title shall not be available for the pay-
20	ment of compensation of students for employment by em-
21	ployers under arrangements pursuant to this title.
22	"SEC. 803. GRANTS FOR COOPERATIVE EDUCATION.
23	"(a) Grants Authorized.—
24	"(1) In General.—The Secretary is author-
25	ized—

"(A) from the amount available under section 802(b)(1) in each fiscal year and in accordance with the provisions of this title, to make grants to institutions of higher education or combinations of such institutions that have not received a grant under this paragraph in the 10-year period preceding the date for which a grant under this section is requested to pay the Federal share of the cost of planning, establishing, expanding, or carrying out programs of cooperative education by such institutions or combinations of institutions; and

"(B) from the amount available under section 802(b)(2) in each fiscal year and in accordance with the provisions of this title, to make grants to institutions of higher education that are operating an existing cooperative education program as determined by the Secretary to pay the cost of planning, establishing, expanding, or carrying out programs of cooperative education by such institutions.

"(2) Program requirement.—Cooperative education programs assisted under this section shall provide alternating or parallel periods of academic study and of public or private employment, giving

students work experience related to their academic or occupational objectives and the opportunity to earn the funds necessary for continuing and completing their education.

### "(3) Amount of grants.—

"(A) The amount of each grant awarded pursuant to paragraph (1)(A) to any institution of higher education or combination of such institutions in any fiscal year shall not exceed \$500,000.

"(B) (i) Except as provided in clauses (ii) and (iii), the Secretary shall award grants in each fiscal year to each institution of higher education described in paragraph (1)(B) that has an application approved under subsection (b) in an amount which bears the same ratio to the amount reserved pursuant to section 802(b)(2) for such fiscal year as the number of unduplicated students placed in cooperative education jobs during the preceding fiscal year (other than cooperative education jobs under section 804 and as determined by the Secretary) by such institution of higher education bears to the total number of all such students

1	placed in such jobs during the preceding fiscal
2	year by all such institutions.
3	"(ii) No institution of higher education
4	shall receive a grant pursuant to paragraph
5	(1)(B) in any fiscal year in an amount which
6	exceeds 25 percent of such institution's cooper-
7	ative education program's personnel and oper-
8	ating budget for the preceding fiscal year.
9	"(iii) The minimum annual grant amount
10	which an institution of higher education is eligi-
11	ble to receive under paragraph (1)(B) is \$1,000
12	and the maximum annual grant amount is
13	\$75,000.
14	"(4) Limitation.—The Secretary shall not
15	award grants pursuant to paragraphs (1)(A) and
16	(1)(B) to the same institution of higher education or
17	combination of such institution in any one fiscal
18	year.
19	"(5) Uses.—Grants under paragraph (1)(B)
20	shall be used exclusively—
21	"(A) to expand the quality and participa-
22	tion of a cooperative education program;
23	"(B) for outreach in new curricular areas
24	and

1	"(C) for outreach to potential participants
2	including underrepresented and nontraditional
3	populations.
4	"(b) APPLICATIONS.—Each institution of higher edu-
5	cation or combination of such institutions desiring to re-
6	ceive a grant under this section shall submit an application
7	to the Secretary at such time and in such manner as the
8	Secretary shall prescribe. Each such application shall—
9	"(1) set forth the program or activities for
10	which a grant is authorized under this section;
11	"(2) specify each portion of such program or
12	activities which will be performed by a nonprofit or-
13	ganization or institution other than the applicant
14	and the compensation to be paid for such perform-
15	ance;
16	"(3) provide that the applicant will expend dur-
17	ing such fiscal year for the purpose of such program
18	or activities not less than the amount expended for
19	such purpose during the previous fiscal year;
20	"(4) describe the plans which the applicant will
21	carry out to assure, and contain a formal statement
22	of the institution's commitment which assures, that
23	the applicant will continue the cooperative education
24	program beyond the 5-year period of Federal assist-

ance described in subsection (c)(1) at a level which

1	is not less than the total amount expended for such
2	program during the first year such program was as-
3	sisted under this section;
4	"(5) provide that, in the case of an institution
5	of higher education that provides a 2-year program
6	which is acceptable for full credit toward a bach-
7	elor's degree, the cooperative education program will
8	be available to students who are certificate or asso-
9	ciate degree candidates and who carry at least one-
10	half the normal full-time academic workload;
11	"(6) provide that the applicant will—
12	"(A) make such reports as may be essen-
13	tial to ensure that the applicant is complying
14	with the provisions of this section, including the
15	reports for the second and each succeeding fis-
16	cal year for which the applicant receives a grant
17	with respect to the impact of the cooperative
18	education program in the previous fiscal year,
19	including—
20	"(i) the number of unduplicated stu-
21	dent applicants in the cooperative edu-
22	cation program;
23	"(ii) the number of unduplicated stu-
24	dents placed in cooperative education jobs;

1	"(iii) the number of employers who
2	have hired cooperative education students;
3	"(iv) the income for students derived
4	from working in cooperative education
5	jobs; and
6	"(v) the increase or decrease in the
7	number of unduplicated students placed in
8	cooperative education jobs in each fiscal
9	year compared to the previous fiscal year;
10	and
11	"(B) keep such records as are essential to
12	ensure that the applicant is complying with the
13	provisions of this title, including the notation of
14	cooperative education employment on the stu-
15	dent's transcript;
16	"(7) describe the extent to which programs in
17	the academic discipline for which the application is
18	made have had a favorable reception by public and
19	private sector employers;
20	"(8) describe the extent to which the institution
21	is committed to extending cooperative education on
22	an institution-wide basis for all students who can
23	benefit;

1	"(9) describe the plans that the applicant will
2	carry out to evaluate the applicant's cooperative edu-
3	cation program at the end of the grant period;
4	"(10) provide for such fiscal control and fund
5	accounting procedures as may be necessary to assure
6	proper disbursement of, and accounting for, Federal
7	funds paid to the applicant under this title;
8	"(11) demonstrate a commitment to serving all
9	underserved populations; and
10	"(12) include such other information as is es-
11	sential to carry out the provisions of this title.
12	"(c) Duration of Grants; Federal Share.—
13	"(1) Duration of Grants.—No individual in-
14	stitution of higher education may receive, individ-
15	ually or as a participant in a combination of such in-
16	stitutions—
17	"(A) a grant pursuant to subsection
18	(a)(1)(A) for more than 5 fiscal years; or
19	"(B) a grant pursuant to subsection
20	(a)(1)(B) for more than 5 fiscal years.
21	"(2) Federal share.—The Federal share of a
22	grant under section 803(a)(1)(A) may not exceed—
23	"(A) 85 percent of the cost of carrying out
24	the program or activities described in the appli-

1	cation in the first year the applicant receives a
2	grant under this section;
3	"(B) 70 percent of such cost in the second
4	such year;
5	"(C) 55 percent of such cost in the third
6	such year;
7	"(D) 40 percent of such cost in the fourth
8	such year; and
9	"(E) 25 percent of such cost in the fifth
10	such year.
11	"(3) Special rule.—Any provision of law to
12	the contrary notwithstanding, the Secretary shall not
13	waive the provisions of this subsection.
14	"(d) Maintenance of Effort.—If the Secretary
15	determines that a recipient of funds under this section has
16	failed to maintain the fiscal effort described in subsection
17	(b)(3), then the Secretary may elect not to make grant
18	payments under this section to such recipient.
19	"(e) Factors for Special Consideration of Ap-
20	PLICATIONS.—
21	"(1) In general.—In approving applications
22	under this section, the Secretary shall give special
23	consideration to applications from institutions of
24	higher education or combinations of such institu-

1	tions for programs which show the greatest promise
2	of success because of—
3	"(A) the extent to which programs in the
4	academic discipline with respect to which the
5	application is made have had a favorable recep-
6	tion by public and private sector employers;
7	"(B) the strength of the commitment of
8	the institution of higher education or combina-
9	tion of such institutions to cooperative edu-
10	cation as demonstrated by the plans and for-
11	malized institutional commitment statement
12	which such institution or combination has made
13	to continue the program after the termination
14	of Federal financial assistance,
15	"(C) the extent to which the institution or
16	combination is committed to extending coopera-
17	tive education for all students who can benefit,
18	and
19	"(D) such other factors as are consistent
20	with the purposes of this section.
21	"(2) Additional special consideration.—
22	The Secretary shall also give special consideration to
23	applications from institutions of higher education or
24	combinations of such institutions which demonstrate

1	a commitment to serving all underserved popu-
2	lations.
3	"SEC. 804. DEMONSTRATION AND INNOVATION PROJECTS;
4	TRAINING AND RESOURCE CENTERS; AND RE-
5	SEARCH.
6	"(a) Authorization.—The Secretary is authorized,
7	in accordance with the provisions of this section, to make
8	grants and enter into contracts for—
9	"(1) the conduct of demonstration projects de-
10	signed to demonstrate or determine the feasibility or
11	value of innovative methods of cooperative education
12	from the amounts available in each fiscal year under
13	section 802(b)(3);
14	"(2) the conduct of training and resource cen-
15	ters designed to—
16	"(A) train personnel in the field of cooper-
17	ative education;
18	"(B) improve materials used in cooperative
19	education programs if such improvement is con-
20	ducted in conjunction with other activities de-
21	scribed in this paragraph;
22	"(C) furnish technical assistance to institu-
23	tions of higher education to increase the poten-
24	tial of the institution to continue to conduct a

1	cooperative education program without Federal
2	assistance;
3	"(D) encourage model cooperative edu-
4	cation programs which furnish education and
5	training in occupations in which there is a na-
6	tional need;
7	"(E) support partnerships under which an
8	institution carrying out a comprehensive cooper-
9	ative education program joins with one or more
10	institutions of higher education in order to (i)
11	assist the institution other than the comprehen-
12	sive cooperative education institution to develop
13	and expand an existing program of cooperative
14	education, or (ii) establish and improve or ex-
15	pand comprehensive cooperative education pro-
16	grams; and
17	"(F) encourage model cooperative edu-
18	cation programs in the fields of science and
19	mathematics for women and minorities who are
20	underrepresented in such fields
21	from the amounts available in each fiscal year under
22	section $802(b)(4)$ ; and
23	"(3) the conduct of research relating to cooper-
24	ative education, from the amounts available in each
25	fiscal year under section 802(b)(5).

1	"(b) Administrative Provision.—
2	"(1) In general.—To carry out this section,
3	the Secretary may—
4	"(A) make grants to or contracts with in-
5	stitutions of higher education, or combinations
6	of such institutions; and
7	"(B) make grants to or contracts with
8	other public or private nonprofit agencies or or-
9	ganizations, whenever such grants or contracts
10	will make an especially significant contribution
11	to attaining the objectives of this section.
12	"(2) Limitation.—
13	"(A) The Secretary may not use more than
14	3 percent of the amount appropriated to carry
15	out this section in each fiscal year to enter into
16	contracts described in paragraph (1)(A).
17	"(B) The Secretary may use not more
18	than 3 percent of the amount appropriated to
19	carry out this section in each fiscal year to
20	enter into contracts described in paragraph
21	(1)(B).
22	"(c) Supplement not Supplant.—A recipient of
23	a grant or contract under this section may use the funds
24	provided only so as to supplement and, to the extent pos-
25	sible increase the level of funds that would in the absence

- 1 of such funds, be made available from non-Federal sources
- 2 to carry out the activities supported by such grant or con-
- 3 tract, and in no case to supplant such funds from non-

4 Federal sources.".

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