

108TH CONGRESS
1ST SESSION

S. 479

To amend title IV of the Higher Education Act of 1965 to provide grants for homeland security scholarships.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27, 2003

Mr. EDWARDS introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend title IV of the Higher Education Act of 1965 to provide grants for homeland security scholarships.

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 “Protect America Schol-
5 arships Act of 2003”.

6 **SEC. 2. GRANTS AUTHORIZED.**

7 Part A of title IV of the Higher Education Act of
8 1965 (20 U.S.C. 1070 et seq.) is amended by adding at
9 the end the following:

1 **“Subpart 9—Homeland Security Scholarships**

2 **“SEC. 420K. PURPOSES.**

3 “The purposes of this subpart are—

4 “(1) to recruit talented young people to profes-
5 sions that are needed to ensure the Nation’s home-
6 land security; and

7 “(2) to make college education more affordable.

8 **“SEC. 420L. DEFINITIONS.**

9 “In this subpart:

10 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-
11 tity’ means a partnership between—

12 “(A) an institution of higher education (or
13 consortium of such institutions); and

14 “(B) a qualified employer (or consortium
15 of such employers).

16 “(2) ELIGIBLE STUDENT.—The term ‘eligible
17 student’ means an individual who—

18 “(A)(i) is enrolled as a full- or part-time
19 student at an institution of higher education
20 with a qualified academic major or program; or

21 “(ii) has been accepted for enrollment at
22 an institution of higher education and intends
23 to major in a qualified academic major or pro-
24 gram;

25 “(B) submits an application for a scholar-
26 ship under this subpart; and

1 “(C) submits a written contract, prior to
2 receiving assistance, accepting payment of a
3 scholarship in exchange for providing qualified
4 service.

5 “(3) QUALIFIED ACADEMIC MAJOR OR PRO-
6 GRAM.—

7 “(A) IN GENERAL.—The term ‘qualified
8 academic major or program’ means an aca-
9 demic major or program of study designated by
10 the Secretary for each State in an annual notice
11 in the Federal Register that—

12 “(i) prepares students in such majors
13 or programs for a career that—

14 “(I) is primarily related to home-
15 land security;

16 “(II) requires specialized exper-
17 tise; and

18 “(III) suffers from a critical
19 shortage of qualified personnel; and

20 “(ii) is a—

21 “(I) national priority, as deter-
22 mined by the Secretary in consulta-
23 tion with the Secretary of Homeland
24 Security; or

1 “(II) State priority, as deter-
 2 mined by the chief executive officer in
 3 the State in which the student seeking
 4 a scholarship under this subpart—

5 “(aa) graduated from sec-
 6 ondary school; or

7 “(bb) is enrolled at an insti-
 8 tution of higher education.

9 “(B) CONTINUATION OF QUALIFICA-
 10 TION.—An academic major or program of study
 11 designated by the Secretary under subpara-
 12 graph (A) shall continue to be considered a
 13 qualified academic major or program for a stu-
 14 dent if such academic major or program of
 15 study was a qualified academic major or pro-
 16 gram at the time such student commenced
 17 study of such major or program of study.

18 “(4) QUALIFIED EMPLOYER.—The term ‘quali-
 19 fied employer’ means—

20 “(A) a nonprofit organization; or

21 “(B) a public agency.

22 “(5) QUALIFIED SERVICE.—

23 “(A) IN GENERAL.—The term ‘qualified
 24 service’ means full-time employment with the
 25 qualified employer of the eligible entity that

1 awarded the eligible student a scholarship or
2 with another qualified employer (consistent with
3 the guidelines issued by the Secretary pursuant
4 to subparagraph (B)), for a period of 2 years
5 for the first year of a scholarship award and
6 an additional 1 year for each additional year
7 of a scholarship award, in a position that—

8 “(i) is primarily related to homeland
9 security;

10 “(ii) requires specialized expertise re-
11 lated to the qualified academic major or
12 program of the eligible student; and

13 “(iii) suffers from a critical lack of
14 qualified personnel.

15 “(B) SERVICE WITH DIFFERENT EM-
16 PLOYER.—The Secretary shall issue guidelines
17 describing when employment may be completed
18 with a qualified employer who is not the quali-
19 fied employer of the eligible entity that awarded
20 the eligible student a scholarship.

21 **“SEC. 420M. GRANTS TO ELIGIBLE ENTITIES.**

22 “(a) IN GENERAL.—From funds appropriated under
23 section 420O, the Secretary shall award grants, on a com-
24 petitive basis, to eligible entities to enable the entities to

1 award scholarships to eligible students in exchange for
2 qualified service from such students.

3 “(b) APPLICATION.—An eligible entity that desires to
4 receive a grant under this subpart shall submit an applica-
5 tion to the Secretary at such time, in such manner, and
6 containing such information as the Secretary may require.

7 “(c) USE OF GRANT FUNDS.—

8 “(1) SCHOLARSHIP AWARDS.—An eligible entity
9 that receives a grant under this subpart shall award
10 scholarships to eligible students in exchange for
11 qualified service from such students.

12 “(2) APPLICATION FORM.—An eligible entity
13 that receives a grant under this subpart shall create
14 an application form for a student desiring to receive
15 a scholarship under this subpart, and include in
16 such form a summary of the rights and liabilities of
17 a student whose application is approved (and whose
18 contract is accepted) by the eligible entity.

19 “(3) CONTRACT.—

20 “(A) IN GENERAL.—An eligible entity that
21 receives a grant under this subpart shall pre-
22 pare a written contract that shall be provided to
23 a student desiring to receive a scholarship
24 under this subpart at the time that an applica-
25 tion is provided to such student.

1 “(B) CONTENT.—The contract described
2 in subparagraph (A) shall be an agreement be-
3 tween the eligible entity and student that states
4 that, subject to subparagraph (C)—

5 “(i) the eligible entity agrees to pro-
6 vide the student with a scholarship, that
7 may be renewed in each year of study at
8 the institution of higher education for a
9 total of not more than 4 years; and

10 “(ii) the student agrees to—

11 “(I)(aa) accept provision of such
12 a scholarship to the student;

13 “(bb) maintain enrollment in the
14 qualified academic major or program
15 until the student completes the course
16 of study at the institution of higher
17 education;

18 “(cc) while enrolled in such quali-
19 fied academic major or program,
20 maintain an acceptable level of aca-
21 demic standing (as determined by the
22 institution of higher education); and

23 “(dd) provide qualified service;
24 and

1 “(II) repay the scholarship under
2 the terms of this subpart if the stu-
3 dent fails to comply with the require-
4 ments of subclause (I).

5 “(C) LIMITATION.—The contract described
6 in subparagraph (A) shall contain a provision
7 that any financial obligation of the United
8 States arising out of a contract entered into
9 under this subpart and any obligation of the
10 student which is conditioned thereon, is contin-
11 gent upon funds being appropriated for scholar-
12 ships under this subpart.

13 “(4) INFORMATION ON SCHOLARSHIP RECIPI-
14 ENTS.—An eligible entity that receives a grant
15 under this subpart shall submit a report to the Sec-
16 retary at the time a scholarship award is provided
17 to an eligible student identifying—

18 “(A) such student’s name, date of birth,
19 and social security number; and

20 “(B) the amount of such scholarship.

21 “(d) MATCHING FUNDS.—An eligible entity receiving
22 Federal assistance under this subpart shall contribute
23 non-Federal matching funds in an amount equal to 50
24 percent of the amount of Federal assistance.

1 “(e) DURATION OF GRANT.—Grants awarded under
2 this subpart shall be for a term of 5 years.

3 **“SEC. 420N. SCHOLARSHIPS.**

4 “(a) SUBMISSION OF APPLICATION AND WRITTEN
5 CONTRACT.—A student that desires to receive a scholar-
6 ship under this subpart shall submit an application and
7 written contract to an eligible entity at such time, in such
8 manner, and containing such information as the eligible
9 entity may require.

10 “(b) PAYMENT.—

11 “(1) IN GENERAL.—Subject to paragraph (2), a
12 scholarship provided to an eligible student under this
13 subpart for a school year shall consist of payment
14 to, or (in accordance with paragraph (3)) on behalf
15 of, the eligible student of the amount of the tuition
16 and fees, described in section 472(1), of the eligible
17 student in such school year.

18 “(2) MAXIMUM SCHOLARSHIP AMOUNT.—A
19 scholarship awarded under this subpart during fiscal
20 year 2004 shall not exceed \$10,000. The Secretary
21 shall determine the maximum scholarship amount
22 for each succeeding fiscal year after adjusting for in-
23 flation.

24 “(3) CONTRACT.—The Secretary may contract
25 with an institution of higher education, in which an

1 eligible student is enrolled, for the payment to the
2 institution of higher education of the amounts of tui-
3 tion and fees described in paragraph (1).

4 “(c) VERIFICATION OF QUALIFIED SERVICE.—

5 “(1) DOCUMENTATION.—

6 “(A) FROM ELIGIBLE STUDENT.—An eligi-
7 ble student that receives a scholarship under
8 this subpart shall submit documentation to the
9 eligible entity that awarded the student the
10 scholarship, under standards and procedures
11 determined by the eligible entity, verifying that
12 the student has completed such student’s quali-
13 fied service.

14 “(B) FROM ELIGIBLE ENTITY.—An eligible
15 entity that receives a grant under this subpart
16 shall submit documentation to the Secretary by
17 a date specified by the Secretary and under
18 standards and procedures determined by the
19 Secretary, verifying that each eligible student
20 awarded a scholarship under this subpart has
21 completed such student’s qualified service.

22 “(2) ROLE OF SECRETARY.—If the Secretary
23 does not receive satisfactory documentation under
24 paragraph (1)(B) by the date specified by the Sec-
25 retary, then the Secretary shall collect the scholar-

1 ship amount determined under paragraph (3) as a
2 loan under the terms and conditions for repayment
3 of loans under part B (including provisions under
4 such part that provide for loan repayment over
5 time).

6 “(3) BREACH OF AGREEMENT.—Subject to
7 paragraph (4), if an eligible student receives a schol-
8 arship under this subpart and agrees to provide
9 qualified service in consideration for receipt of the
10 scholarship, the eligible student is liable to the Fed-
11 eral Government for the amount of such award, for
12 interest on such amount at the rate applicable at the
13 time of noncompliance for Stafford loans under sec-
14 tion 427A, and for reasonable collections costs, if
15 the eligible student fails to submit the documenta-
16 tion required under paragraph (1)(A).

17 “(4) WAIVER OR SUSPENSION OF LIABILITY.—
18 The Secretary shall waive liability under paragraph
19 (3) if—

20 “(A) the student subsequently dem-
21 onstrates that such student has provided quali-
22 fied service;

23 “(B) the student suffers death or perma-
24 nent and total disability;

1 “(C) the student is unable to complete the
2 program in which such student was enrolled
3 due to the closure of the institution of higher
4 education; or

5 “(D) the Secretary determines that compli-
6 ance by the student with the agreement in-
7 volved is impossible or would involve extreme
8 hardship to such student.

9 “(5) AMOUNTS TO REMAIN AVAILABLE.—Any
10 amounts collected by the Secretary under this sub-
11 section shall remain available for grant awards
12 under this subpart.

13 “(d) TAX-FREE.—The amount of any scholarship
14 that is received under this subpart shall not, consistent
15 with section 108(f) of the Internal Revenue Code of 1986,
16 be treated as gross income for Federal income tax pur-
17 poses.

18 **“SEC. 4200. AUTHORIZATION OF APPROPRIATIONS.**

19 ““There are authorized to be appropriated to carry out
20 this subpart—

21 “(1) \$50,000,000 for fiscal year 2004;

22 “(2) \$100,000,000 for fiscal year 2005;

23 “(3) \$150,000,000 for fiscal year 2006; and

1 “(4) such sums as may be necessary for each
2 of fiscal years 2007 and 2008.”.

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