

110TH CONGRESS
1ST SESSION

S. 1513

To amend the Higher Education Act of 1965 to authorize grant programs to enhance the access of low-income African-American students to higher education.

IN THE SENATE OF THE UNITED STATES

MAY 24, 2007

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

A BILL

To amend the Higher Education Act of 1965 to authorize grant programs to enhance the access of low-income African-American students to higher 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 “Predominantly Black
5 Institution Act of 2007”.

6 **SEC. 2. PREDOMINANTLY BLACK INSTITUTIONS.**

7 (a) AMENDMENT.—Part A of title III of the Higher
8 Education Act of 1965 (20 U.S.C. 1057 et seq.) is amend-
9 ed by inserting after section 317 the following:

1 **“SEC. 318. PREDOMINANTLY BLACK INSTITUTIONS.**

2 “(a) FINDINGS AND PURPOSE.—

3 “(1) FINDINGS.—Congress finds that—

4 “(A) although African-Americans have
5 made significant progress in closing the gap be-
6 tween African-American and White enrollment
7 in higher education—

8 “(i) African-Americans continue to
9 trail Whites in the percentage of the col-
10 lege-age cohort who enroll and graduate
11 from college;

12 “(ii) among recent secondary school
13 graduates, the college participation rate of
14 Whites was 46 percent from 2000 through
15 2002, while such rate for African-Ameri-
16 cans was only 39 percent; and

17 “(iii) the gap between White and Afri-
18 can-American bachelor’s degree attainment
19 rates also remains high, continuing to ex-
20 ceed 10 percent;

21 “(B) a growing number of African-Amer-
22 ican students are participating in higher edu-
23 cation and are enrolled at an increasing number
24 of urban and rural Predominantly Black Insti-
25 tutions that have included in their mission the
26 provision of academic training and education

1 for both traditional and nontraditional minority
2 students;

3 “(C) the overwhelming majority of stu-
4 dents attending Predominantly Black Institu-
5 tions come from low- and middle-income fami-
6 lies and qualify for participation in the Federal
7 student assistance programs or other need-
8 based Federal programs as indicated by recent
9 data from the National Postsecondary Student
10 Aid Study which demonstrates that 47 percent
11 of African-American undergraduates are Fed-
12 eral Pell Grant recipients, compared to 21 per-
13 cent of non-Hispanic Whites;

14 “(D) many of the students who enroll in
15 Predominantly Black Institutions are also first
16 generation college students who often lack the
17 appropriate academic preparation for success in
18 college and whose parents lack the requisite
19 knowledge and information regarding financing
20 a college education;

21 “(E) there is a particular national need to
22 aid institutions of higher education that have
23 become Predominantly Black Institutions by
24 virtue of the fact that the Predominantly Black

1 Institutions have expanded opportunities for Af-
2 rican-American and other minority students;

3 “(F) Predominantly Black Institutions ful-
4 fill a unique mission within American higher
5 education, far beyond that which was initially
6 envisioned;

7 “(G) Predominantly Black Institutions
8 serve the cultural and social advancement of
9 low-income, African-American and other minor-
10 ity students and are a significant access point
11 for these students to higher education and the
12 opportunities offered by American society;

13 “(H) the concentration of the students de-
14 scribed in subparagraph (G) in a limited num-
15 ber of 2-year and 4-year Predominantly Black
16 Institutions and the desire of these students to
17 secure a degree to prepare these students for a
18 successful career places special burdens on
19 those institutions who attract, retain, and grad-
20 uate these students; and

21 “(I) financial assistance to establish or
22 strengthen the academic resources, physical
23 plants, financial management, and endowments
24 of the Predominantly Black Institutions are ap-
25 propriate methods to enhance the educational

1 quality of the Predominantly Black Institutions,
 2 to facilitate decreased long-term reliance on
 3 governmental financial support, and to encour-
 4 age reliance on endowments and private
 5 sources.

6 “(2) PURPOSE.—It is the purpose of this sec-
 7 tion to assist Predominantly Black Institutions in
 8 expanding educational opportunity through a pro-
 9 gram of Federal assistance.

10 “(b) DEFINITIONS.—In this section:

11 “(1) EDUCATIONAL AND GENERAL EXPENDI-
 12 TURES.—The term ‘educational and general expendi-
 13 tures’ has the meaning given the term in section
 14 312.

15 “(2) ELIGIBLE INSTITUTION.—The term ‘eligi-
 16 ble institution’ means an institution of higher edu-
 17 cation that—

18 “(A) has an enrollment of needy under-
 19 graduate students;

20 “(B) has an average educational and gen-
 21 eral expenditure which is low, per full-time
 22 equivalent undergraduate student in comparison
 23 with the average educational and general ex-
 24 penditure per full-time equivalent under-
 25 graduate student of institutions that offer simi-

lar instruction, except that the Secretary may apply the waiver requirements described in section 392(b) to this subparagraph in the same manner as the Secretary applies the waiver requirements to section 312(b)(1)(B);

“(C) has an enrollment of undergraduate students that is not less than 40 percent African-American students;

“(D) is legally authorized to provide, and provides within the State, an educational program for which the institution of higher education awards a baccalaureate degree, or in the case of a junior or community college, an associate’s degree; and

“(E) is accredited by a nationally recognized accrediting agency or association determined by the Secretary to be a reliable authority as to the quality of training offered, or is, according to such an agency or association, making reasonable progress toward accreditation.

“(3) ENDOWMENT FUND.—The term ‘endowment fund’ has the meaning given the term in section 312.

1 “(4) ENROLLMENT OF NEEDY STUDENTS.—

2 The term ‘enrollment of needy students’ means the
3 enrollment at an eligible institution with respect to
4 which not less than 50 percent of the undergraduate
5 students enrolled in an academic program leading to
6 a degree—

7 “(A) in the second fiscal year preceding
8 the fiscal year for which the determination is
9 made, were Federal Pell Grant recipients for
10 such year;

11 “(B) come from families that receive bene-
12 fits under a means-tested Federal benefit pro-
13 gram;

14 “(C) attended a public or nonprofit private
15 secondary school—

16 “(i) that is in the school district of a
17 local educational agency that was eligible
18 for assistance under part A of title I of the
19 Elementary and Secondary Education Act
20 of 1965 for any year during which the stu-
21 dent attended such secondary school; and

22 “(ii) which for the purpose of this
23 paragraph and for that year was deter-
24 mined by the Secretary (pursuant to regu-
25 lations and after consultation with the

1 State educational agency of the State in
 2 which the school is located) to be a school
 3 in which the enrollment of children counted
 4 under section 1113(a)(5) of such Act ex-
 5 ceeds 30 percent of the total enrollment of
 6 such school; or

7 “(D) are first generation college students
 8 and a majority of such first generation college
 9 students are low-income individuals.

10 “(5) FIRST GENERATION COLLEGE STUDENT.—
 11 The term ‘first generation college student’ has the
 12 meaning given the term in section 402A(g).

13 “(6) INSTITUTION OF HIGHER EDUCATION.—
 14 The term ‘institution of higher education’ has the
 15 meaning given the term in section 101(a).

16 “(7) LOW-INCOME INDIVIDUAL.—The term
 17 ‘low-income individual’ has the meaning given such
 18 term in section 402A(g).

19 “(8) MEANS-TESTED FEDERAL BENEFIT PRO-
 20 GRAM.—The term ‘means-tested Federal benefit pro-
 21 gram’ means a program of the Federal Government,
 22 other than a program under title IV, in which eligi-
 23 bility for the program’s benefits, or the amount of
 24 such benefits, are determined on the basis of income

1 or resources of the individual or family seeking the
2 benefit.

3 “(9) PREDOMINANTLY BLACK INSTITUTION.—
4 The term ‘Predominantly Black Institution’ means
5 an institution of higher education—

6 “(A) that is an eligible institution with not
7 less than 1,000 undergraduate students;

8 “(B) at which not less than 50 percent of
9 the undergraduate students enrolled at the eli-
10 gible institution are low-income individuals or
11 first generation college students; and

12 “(C) at which not less than 50 percent of
13 the undergraduate students are enrolled in an
14 educational program leading to a bachelor’s or
15 associate’s degree that the eligible institution is
16 licensed to award by the State in which the eli-
17 gible institution is located.

18 “(10) STATE.—The term ‘State’ means each of
19 the 50 States and the District of Columbia.

20 “(c) GRANT AUTHORITY.—

21 “(1) IN GENERAL.—The Secretary is authorized
22 to award grants, from allotments under subsection
23 (e), to Predominantly Black Institutions to enable
24 the Predominantly Black Institutions to carry out
25 the authorized activities described in subsection (d).

1 “(2) PRIORITY.—In awarding grants under this
 2 section the Secretary shall give priority to Predomi-
 3 nantly Black Institutions with large numbers or per-
 4 centages of students described in subsections
 5 (b)(2)(A) or (b)(2)(C). The level of priority given to
 6 Predominantly Black Institutions with large num-
 7 bers or percentages of students described in sub-
 8 section (b)(2)(A) shall be twice the level of priority
 9 given to Predominantly Black Institutions with large
 10 numbers or percentages of students described in
 11 subsection (b)(2)(C).

12 “(d) AUTHORIZED ACTIVITIES.—

13 “(1) REQUIRED ACTIVITIES.—Grant funds pro-
 14 vided under this section shall be used—

15 “(A) to assist the Predominantly Black In-
 16 stitution to plan, develop, undertake, and imple-
 17 ment programs to enhance the institution’s ca-
 18 pacity to serve more low- and middle-income
 19 African-American students;

20 “(B) to expand higher education opportu-
 21 nities for students eligible to participate in pro-
 22 grams under title IV by encouraging college
 23 preparation and student persistence in sec-
 24 ondary school and postsecondary education; and

1 “(C) to strengthen the financial ability of
2 the Predominantly Black Institution to serve
3 the academic needs of the students described in
4 subparagraphs (A) and (B).

5 “(2) ADDITIONAL ACTIVITIES.—Grant funds
6 provided under this section shall be used for 1 or
7 more of the following activities:

8 “(A) The activities described in paragraphs
9 (1) through (11) of section 311(c).

10 “(B) Academic instruction in disciplines in
11 which African-Americans are underrepresented.

12 “(C) Establishing or enhancing a program
13 of teacher education designed to qualify stu-
14 dents to teach in a public elementary school or
15 secondary school in the State that shall include,
16 as part of such program, preparation for teach-
17 er certification or licensure.

18 “(D) Establishing community outreach
19 programs that will encourage elementary school
20 and secondary school students to develop the
21 academic skills and the interest to pursue post-
22 secondary education.

23 “(E) Establishing or increasing an endow-
24 ment fund in accordance with paragraph (3).

1 “(F) Other activities proposed in the appli-
2 cation submitted pursuant to subsection (f)
3 that—

4 “(i) contribute to carrying out the
5 purpose of this section; and

6 “(ii) are approved by the Secretary as
7 part of the review and approval of an ap-
8 plication submitted under subsection (f).

9 “(3) ENDOWMENT FUND.—

10 “(A) IN GENERAL.—A Predominantly
11 Black Institution may use not more than 20
12 percent of the grant funds provided under this
13 section to establish or increase an endowment
14 fund at the institution.

15 “(B) MATCHING REQUIREMENT.—In order
16 to be eligible to use grant funds in accordance
17 with subparagraph (A), a Predominantly Black
18 Institution shall provide matching funds from
19 non-Federal sources, in an amount equal to or
20 greater than the Federal funds used in accord-
21 ance with subparagraph (A), for the establish-
22 ment or increase of the endowment fund.

23 “(C) COMPARABILITY.—The provisions of
24 part C of title III, regarding the establishment
25 or increase of an endowment fund, that the

1 Secretary determines are not inconsistent with
2 this subsection, shall apply to funds used under
3 subparagraph (A).

4 “(4) LIMITATION.—Not more than 50 percent
5 of the grant funds provided to a Predominantly
6 Black Institution under this section may be available
7 for the purpose of constructing or maintaining a
8 classroom, library, laboratory, or other instructional
9 facility.

10 “(e) ALLOTMENTS TO PREDOMINANTLY BLACK IN-
11 STITUTIONS.—

12 “(1) FEDERAL PELL GRANT BASIS.—From the
13 amounts appropriated to carry out this section for
14 any fiscal year, the Secretary shall allot to each Pre-
15 dominantly Black Institution having an application
16 approved under subsection (f) a sum that bears the
17 same ratio to one-half of that amount as the number
18 of Federal Pell Grant recipients in attendance at
19 such institution at the end of the academic year pre-
20 ceding the beginning of that fiscal year, bears to the
21 total number of Federal Pell Grant recipients at all
22 such institutions at the end of such academic year.

23 “(2) GRADUATES BASIS.—From the amounts
24 appropriated to carry out this section for any fiscal
25 year, the Secretary shall allot to each Predominantly

1 Black Institution having an application approved
 2 under subsection (f) a sum that bears the same ratio
 3 to one-fourth of that amount as the number of grad-
 4 uates for such academic year at such institution,
 5 bears to the total number of graduates for such aca-
 6 demic year at all such institutions.

7 “(3) GRADUATES SEEKING A HIGHER DEGREE
 8 BASIS.—From the amounts appropriated to carry
 9 out this section for any fiscal year, the Secretary
 10 shall allot to each Predominantly Black Institution
 11 having an application approved under subsection (f)
 12 a sum that bears the same ratio to one-fourth of
 13 that amount as the percentage of graduates from
 14 such institution who are admitted to and in attend-
 15 ance at, not later than 2 years after graduation with
 16 an associate’s degree or a baccalaureate degree, a
 17 baccalaureate degree-granting institution or a grad-
 18 uate or professional school in a degree program in
 19 disciplines in which African-American students are
 20 underrepresented, bears to the percentage of such
 21 graduates for all such institutions.

22 “(4) MINIMUM ALLOTMENT.—

23 “(A) IN GENERAL.—Notwithstanding
 24 paragraphs (1), (2), and (3), the amount allot-
 25 ted to each Predominantly Black Institution

1 under this section shall not be less than
2 \$250,000.

3 “(B) INSUFFICIENT AMOUNT.—If the
4 amount appropriated pursuant to section
5 399(a)(1)(D) for a fiscal year is not sufficient
6 to pay the minimum allotment provided under
7 subparagraph (A) for the fiscal year, then the
8 amount of such minimum allotment shall be
9 ratably reduced. If additional sums become
10 available for such fiscal year, such reduced al-
11 lotment shall be increased on the same basis as
12 the allotment was reduced until the amount al-
13 lotted equals the minimum allotment required
14 under subparagraph (A).

15 “(5) REALLOTMENT.—The amount of a Pre-
16 dominantly Black Institution’s allotment under para-
17 graph (1), (2), (3), or (4) for any fiscal year that
18 the Secretary determines will not be required for
19 such institution for the period such allotment is
20 available, shall be available for realLOTment to other
21 Predominantly Black Institutions in proportion to
22 the original allotment to such other institutions
23 under this section for such fiscal year. The Secretary
24 shall realLOT such amounts from time to time, on

1 such date and during such period as the Secretary
2 determines appropriate.

3 “(f) APPLICATIONS.—Each Predominantly Black In-
4 stitution desiring a grant under this section shall submit
5 an application to the Secretary at such time, in such man-
6 ner, and containing or accompanied by such information
7 as the Secretary may reasonably require.

8 “(g) PROHIBITION.—No Predominantly Black Insti-
9 tution that applies for and receives a grant under this sec-
10 tion may apply for or receive funds under any other pro-
11 gram under part A or part B of title III.

12 “(h) DURATION AND CARRYOVER.—Any grant funds
13 paid to a Predominantly Black Institution under this sec-
14 tion that are not expended or used for the purposes for
15 which the funds were paid within 10 years following the
16 date on which the grant was awarded, shall be repaid to
17 the Treasury.

18 “(i) APPLICABILITY OF PART F.—Part F, other than
19 section 399, shall not apply to this section.”.

20 (b) AUTHORIZATION OF APPROPRIATIONS.—Section
21 399(a)(1) of the Higher Education Act of 1965 (20 U.S.C.
22 1068h(a)(1)) is amended by adding at the end the fol-
23 lowing new subparagraph:

24 “(D) There are authorized to be appropriated
25 to carry out section 318 such sums as may be nec-

- 1 essary for fiscal year 2008 and each of the 5 suc-
- 2 ceeding fiscal years.”.

