

113TH CONGRESS
1ST SESSION

H. R. 2659

To establish a grant program to issue grants to institutions of higher education to support student internships.

IN THE HOUSE OF REPRESENTATIVES

JULY 11, 2013

Ms. BONAMICI introduced the following bill; which was referred to the Committee on Education and the Workforce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish a grant program to issue grants to institutions of higher education to support student internships.

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 “Opportunities for Suc-
5 cess Act of 2013”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) Internships are increasingly important to
9 the ability of college students to gain skills, make

1 professional connections, and find jobs after gradua-
2 tion.

3 (2) In 2011, according to the National Associa-
4 tion of Colleges and Employers, employers offered
5 full-time positions to 61.2 percent of their interns
6 with an acceptance rate of 86.5 percent.

7 (3) Many students struggle to make ends meet;
8 66 percent of young community college students
9 dedicate more than 20 hours a week to an outside
10 job, and the need of many students to maintain a
11 part-time or full-time job reduces or eliminates the
12 time available for an internship.

13 (4) Internships often require significant time
14 commitments or temporary relocation, which many
15 students are unable to afford; these additional living
16 expenses include housing, meals, and travel, and
17 these costs make unpaid internships with employers
18 like non-profit organizations and government even
19 more inaccessible for those with low and middle in-
20 comes.

21 (5) In 2011, 46 percent of students who had
22 completed an internship were offered jobs, compared
23 with 31 percent of students who did not complete an
24 internship; more than 76 percent of employers rank

1 relevant experience as the most important quality
2 when hiring.

3 (6) Many university officials and employers ac-
4 knowledge that participating in an undergraduate
5 internship is extremely helpful for finding meaning-
6 ful employment in today's job market.

7 **SEC. 3. OPPORTUNITIES FOR SUCCESS PROGRAM.**

8 (a) PROGRAM AUTHORIZED.—From the amounts
9 made available to carry out this Act, the Secretary of Edu-
10 cation shall establish a grant program to award grants to
11 qualifying educational institutions in accordance with this
12 section in order to support eligible students attending such
13 institutions during internships.

14 (b) APPLICATION.—To receive a grant under this sec-
15 tion, a qualifying educational institution shall submit to
16 the Secretary an application at such time, in such manner,
17 and containing such information as the Secretary may re-
18 quire.

19 (c) USE OF FUNDS BY QUALIFYING EDUCATIONAL
20 INSTITUTIONS.—A qualifying educational institution re-
21 ceiving a grant under this section shall use the grant funds
22 in accordance with the following:

23 (1) ACTIVITIES.—Such institution may only use
24 the grant to fund internship awards in accordance

1 with this section to eligible students enrolled at the
2 institution.

3 (2) ADMINISTRATION OF INTERNSHIP
4 AWARDS.—Internship awards made from the
5 grant—

6 (A) shall be administered by the financial
7 aid office of such institution; and

8 (B) may be administered in conjunction
9 with the career development office and career
10 center of such institution.

11 (3) PROHIBITION ON ALTERATION OF FINAN-
12 CIAL AID.—A student's receipt of an internship
13 award from a grant under this section shall not be
14 taken into account in determining the need or eligi-
15 bility of the student for financial assistance under
16 title IV of the Higher Education Act of 1965 (20
17 U.S.C. 1070 et seq.).

18 (4) SUPPLEMENT NOT SUPPLANT.—Funds
19 made available to carry out this section shall be used
20 to supplement, and not supplant, other Federal and
21 State funds available to carry out the activities de-
22 scribed in this section.

23 (5) DEADLINE FOR SUMMER INTERNSHIPS.—
24 Such institution shall make an award for a summer
25 internship under this section by June 30 of a cal-

1 endar year preceding the first day of the summer in-
2 ternship for that year.

3 (d) CALCULATING AWARD AMOUNTS.—

4 (1) AMOUNT TO QUALIFYING EDUCATIONAL IN-
5 STITUTIONS.—

6 (A) IN GENERAL.—In determining a grant
7 amount for a qualifying educational institution
8 under this section, the Secretary shall ensure
9 that the institution's grant is equal to an
10 amount that bears the same relationship to the
11 total funds available to carry out this section
12 for a fiscal year as the number of eligible stu-
13 dents enrolled at the institution (as determined
14 by the Secretary on the basis of the most recent
15 satisfactory data) bears to the total number of
16 eligible students enrolled at all qualifying edu-
17 cational institutions, as so determined.

18 (B) REALLOCATION.—If a qualifying edu-
19 cational institution does not receive funds under
20 this paragraph, the Secretary shall reallocate
21 such funds to other qualifying educational insti-
22 tutions in the same proportion funds are allo-
23 cated under subparagraph (A).

24 (C) EXCEPTION.—In the case of a quali-
25 fying educational institution that does not

1 award all of the grant funds received under this
2 section for a fiscal year to eligible students in
3 accordance with this section, the Secretary, in
4 awarding grants under this section for the suc-
5 ceeding fiscal year—

6 (i) shall reallocate the unused funds
7 to other qualifying educational institutions
8 in the same proportion funds are allocated
9 under subparagraph (A); and

10 (ii) may award such institution a
11 grant in an amount that is less than the
12 full grant amount such institution would
13 have otherwise received under subpara-
14 graph (A) for such year.

15 (2) STUDENT AWARD PARAMETERS.—

16 (A) MAXIMUM STUDENT AWARD.—A stu-
17 dent receiving an award of funds from a grant
18 to a qualifying educational institution under
19 this section may not receive—

20 (i) more than \$5,000 from such grant
21 if the award is for a full-time internship;
22 and

23 (ii) more than \$2,500 from such grant
24 if the award is for a part-time internship.

25 (B) CALCULATION OF STUDENT AWARD.—

1 (i) UNPAID INTERNSHIPS.—

2 (I) AWARDS FOR IN-SCHOOL STU-
3 DENTS.—Subject to subparagraph
4 (A), in the case of a student receiving
5 an award for an unpaid internship
6 that occurs during a period of enroll-
7 ment at the awarding qualifying edu-
8 cational institution, the amount of the
9 award shall be, to the extent prac-
10 ticable, an amount based on the high-
11 er of—

12 (aa) the applicable Federal
13 minimum wage by each hour of
14 the internship; or

15 (bb) the applicable State
16 minimum wage of the State in
17 which the institution is located by
18 each hour of the internship.

19 (II) AWARDS FOR STUDENTS
20 DURING SUMMER AND WINTER
21 TERMS.—

22 (aa) IN GENERAL.—Subject
23 to subparagraph (A), in the case
24 of a student receiving an award
25 for an unpaid internship that oc-

1 curs during a period of non-
2 attendance at the awarding edu-
3 cational institution, the amount
4 of the award shall, to the extent
5 practicable, be an amount that
6 covers reasonable cost of living
7 expenses for the student.

8 (bb) REASONABLE COST OF
9 LIVING EXPENSES.—For pur-
10 poses of item (aa), “reasonable
11 cost of living expenses” shall in-
12 clude considerations of—

13 (AA) the location of the
14 internship;

15 (BB) the length of the
16 internship;

17 (CC) travel costs asso-
18 ciated with the internship;

19 (DD) housing costs
20 during the duration of the
21 internship;

22 (EF) meal costs during
23 the duration of the intern-
24 ship; and

1 (FF) whether the in-
2 ternship is full-time or part-
3 time.

4 (ii) PAID INTERNSHIPS.—In the case
5 of a student receiving an award for a paid
6 internship, the amount of the award shall
7 be determined by reducing the amount
8 such student would receive for an unpaid
9 internship as calculated under clause (i) by
10 the amount of income that the internship
11 will provide to the student.

12 (e) AWARDS NON-TAXABLE.—An award received by
13 a student under this section shall not be considered tax-
14 able income.

15 (f) CARRY-BACK AUTHORIZED.—A qualifying edu-
16 cational institution receiving a grant under this section for
17 a fiscal year may use such grant funds to make internship
18 awards under this section prior to the beginning of the
19 fiscal year, but after the end of the previous academic
20 year.

21 (g) REPORTS.—Not later than 1 year after the date
22 of enactment of this Act and each succeeding year in
23 which the Secretary makes grants under this section, the
24 Secretary shall submit to Congress a report detailing, with

1 regard to grants made under this section for the previous
2 academic year—

3 (1) the percentage of students receiving intern-
4 ship funds from grants under this section who, not
5 later than 2 years after graduating from a qualifying
6 educational institution, are hired in a field related to
7 the internship for which the students received such
8 funds;

9 (2) the number of qualifying educational insti-
10 tutions receiving grants under this section;

11 (3) the categories of qualifying educational in-
12 stitutions (such as 4-year public institutions, 4-year
13 private, nonprofit institutions, 2-year public institu-
14 tions, and 2-year private, nonprofit institutions) re-
15 ceiving grants under this section;

16 (4) the number of students receiving internship
17 funds from grants under this section, and the de-
18 grees such students are pursuing;

19 (5) the number of paid internships, and the
20 number of unpaid internships, funded by such
21 grants;

22 (6) the locations of internships funded by such
23 grants;

24 (7) the number of students who used internship
25 funds awarded under this section to complete an in-

1 ternship more than 60 miles from the qualifying
2 educational institution that made such award or that
3 required the students to temporarily relocate for the
4 duration of the internship; and

5 (8) the types of internships (such as full-time
6 summer internships, part-time summer internship,
7 or part-time semester internships) completed by stu-
8 dents receiving awards funded by such grants.

9 (h) REGULATIONS.—The Secretary shall prescribe
10 such regulations as may be necessary to carry out this
11 section, including regulations that provide guidance to
12 qualifying educational institutions on how to determine
13 whether an internship meets the requirements of sub-
14 clauses (I) through (III) of subsection (i)(1)(F)(vi).

15 (i) DEFINITIONS.—For purposes of this section:

16 (1) ELIGIBLE STUDENT.—The term “eligible
17 student” means a student who—

18 (A) is a full-time or half-time student (as
19 such terms are defined in section 668.2 of title
20 34, Code of Federal Regulations (or a successor
21 regulation));

22 (B) is eligible for a Federal Pell Grant
23 under section 401 of the Higher Education Act
24 of 1965 (20 U.S.C. 1070a et seq.);

1 (C) is enrolled at a qualifying educational
2 institution in a program of study that leads to
3 an associate's or bachelor's degree;

4 (D) if the student has accepted an intern-
5 ship during a period of nonattendance at a
6 qualifying educational institution—

7 (i) demonstrates that the student is
8 planning to re-enroll at such institution for
9 the next period of enrollment at such insti-
10 tution by registering for such period of en-
11 rollment at the institution or accepting the
12 institution's offer of admittance for such
13 period of enrollment; and

14 (ii) will be eligible for a Federal Pell
15 Grant under section 401 of such Act (20
16 U.S.C. 1070a et seq.), for such period of
17 enrollment;

18 (E) has not, while pursuing the same de-
19 gree that such student is currently pursuing,
20 previously received an award that included
21 funds granted under subsection (a) to a quali-
22 fying educational institution; and

23 (F) has received an official internship
24 offer, as defined by the Secretary in regula-
25 tions, for an internship that—

1 (i) is located within the United States;

2 (ii) in a case in which the internship
3 employs (as defined under section 3(g) of
4 the Fair Labor Standards Act (29 U.S.C.
5 203(g)) the student, meets the require-
6 ments of such Act (29 U.S.C. 201 et seq.);

7 (iii) is a full-time summer internship,
8 a part-time summer internship, or a part-
9 time semester internship;

10 (iv) is not less than 4 weeks in dura-
11 tion, and is not greater in duration than
12 the shorter of—

13 (I) the length of a standard aca-
14 demic period at the qualifying edu-
15 cational institution; or

16 (II) in the case of an internship
17 that occurs during a period of non-
18 attendance at the awarding qualifying
19 educational institution, 10 weeks, or
20 in the case of an internship that oc-
21 curs during a period of attendance at
22 the awarding qualifying educational
23 institution, 12 weeks;

24 (v) is—

25 (I) an unpaid internship; or

1 (II) a paid internship that, ac-
2 cording to the determination of the
3 qualifying educational institution,
4 without an award under this section
5 such student would otherwise be un-
6 able to afford participating in such in-
7 ternship; and

8 (vi) is determined by the qualifying
9 educational institution to be an internship
10 that—

11 (I) is of good and reputable qual-
12 ity;

13 (II) affords adequate educational
14 or skill-building opportunities; and

15 (III) is reasonably associated
16 with the student's course of study at
17 a qualifying educational institution.

18 (2) FULL-TIME.—The term “full-time”, when
19 used with respect to an internship, shall be defined
20 by the Secretary in regulations.

21 (3) QUALIFYING EDUCATIONAL INSTITUTION.—
22 The term “qualifying educational institution” has
23 the meaning given the term “institution of higher
24 education” in section 101(a) of the Higher Edu-
25 cation Act of 1965 (20 U.S.C. 1001(a)).

1 (4) PART-TIME.—The term “part-time”, when
2 used with respect to an internship, shall be defined
3 by the Secretary in regulations.

4 (5) PERIOD OF NONATTENDENCE.—The term
5 “period of nonattendance”, when used with respect
6 to a student, means a period during which the stu-
7 dent is not enrolled at a qualifying educational insti-
8 tution, including a summer or winter term.

9 (6) SECRETARY.—The term “Secretary” means
10 the Secretary of Education.

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