

113TH CONGRESS
2D SESSION

H. R. 4767

To amend the Higher Education Act of 1965 to strengthen Federal-State partnerships in postsecondary education.

IN THE HOUSE OF REPRESENTATIVES

MAY 29, 2014

Mr. HINOJOSA (for himself, Mr. GRIJALVA, Mr. DANNY K. DAVIS of Illinois, Mr. FATTAH, and Ms. VELÁZQUEZ) 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 strengthen Federal-State partnerships in postsecondary 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 “Partnerships for Af-
5 fordability and Student Success Act”.

6 **SEC. 2. STATE COMMITMENT TO AFFORDABLE COLLEGE**
7 **EDUCATION.**

8 Section 137 of the Higher Education Act of 1965 (20
9 U.S.C. 1015f) is amended—

1 (1) by striking subsection (a) and inserting the
2 following:

3 “(a) MAINTENANCE OF EFFORT REQUIRED.—For
4 the academic year beginning on July 1, 2014, and for each
5 of the 4 succeeding academic years, a State shall—

6 “(1) maintain State support for institutions of
7 higher education (not including support for capital
8 projects or research and development, or tuition and
9 fees paid by students) at least at the level of such
10 support for the academic year beginning on July 1,
11 2012; and

12 “(2) maintain State support for student finan-
13 cial aid for paying costs associated with postsec-
14 ondary education at least at the level of such sup-
15 port for the academic year beginning on July 1,
16 2012.”;

17 (2) by striking subsection (c) and inserting the
18 following:

19 “(c) WAIVER.—

20 “(1) IN GENERAL.—The Secretary shall waive
21 the requirements of subsection (a) if the Secretary
22 determines that such a waiver would be appropriate
23 due to exceptional or uncontrollable circumstances,
24 such as a natural disaster or a precipitous decline in

1 the financial resources of a State or State edu-
2 cational agency, as appropriate.

3 “(2) NO REQUIREMENT TO AMEND BUDGET.—
4 The Secretary shall not require a State to make
5 changes to an enacted budget as a condition of re-
6 ceiving a waiver under paragraph (1).

7 “(3) CONSULTATION.—The Secretary shall con-
8 sult with the States in developing the criteria and
9 procedures for reviewing waiver requests.”; and
10 (3) by striking subsection (d).

11 **SEC. 3. FEDERAL AND STATE PARTNERSHIPS FOR COL-**
12 **LEGE ACCESS, AFFORDABILITY, AND COM-**
13 **PLETION.**

14 Subpart 4 of part A of title IV of the Higher Edu-
15 cation Act of 1965 (20 U.S.C. 1070c et seq.) is amended
16 to read as follows:

17 **“Subpart 4—Federal and State Partnerships for**
18 **College Access, Affordability, and Completion**

19 **“SEC. 415A. PURPOSE.**

20 “It is the purpose of this subpart for the Secretary
21 to make incentive grants to States to assist States in—

22 “(1) providing grants to eligible students at-
23 tending institutions of higher education or partici-
24 pating in programs of study abroad that are ap-

1 proved for credit by institutions of higher education
2 at which such students are enrolled;

3 “(2) providing subgrants to eligible institutions
4 or consortia of eligible institutions—

5 “(A) to improve student outcomes, such as
6 completion and transfer rates and workforce
7 outcomes for graduates; and

8 “(B) to develop and implement practices
9 that result in reduced costs for students; and

10 “(3) providing public accountability and con-
11 sumer information on the performance of institu-
12 tions of higher education operating within the State.

13 **“SEC. 415B. STATE ELIGIBILITY; DEFINITIONS.**

14 “(a) INCENTIVE GRANTS.—The Secretary shall
15 award incentive grants, in accordance with the provisions
16 of this subpart, to States to pay the Federal share of the
17 cost of carrying out the activities described in paragraphs
18 (1) through (3) of section 415A. The incentive grant shall
19 consist of the allotment determined for the State under
20 section 415C.

21 “(b) STATE ELIGIBILITY.—In order to be eligible to
22 receive an incentive grant under this subpart, a State shall
23 enter into an agreement with the Secretary. The agree-
24 ment shall contain the following assurances:

1 “(1) Federal funds received by the State under
2 this subpart will supplement and not supplant other
3 Federal and State funds otherwise available to carry
4 out activities described in this subpart.

5 “(2) The State will maintain its commitment to
6 affordable higher education as described in section
7 137.

8 “(3) The State will fulfill its role in program in-
9 tegrity under section 495.

10 “(4) The State has a comprehensive plan for
11 public postsecondary education that addresses the
12 following:

13 “(A) Measurable goals for student out-
14 comes, including enrollment, participation, and
15 completion rates.

16 “(B) Measurable goals for college afford-
17 ability in the State.

18 “(C) Alignment of such plan with the
19 workforce and economic development plans of
20 the State.

21 “(D) Alignment of such plan with the ele-
22 mentary and secondary education plan for the
23 State.

24 “(E) The postsecondary educational needs
25 of unserved and underserved individuals within

1 the State, including individuals beyond tradi-
2 tional college age.

3 “(5) The State provides for direct, equitable,
4 and active participation by representatives of institu-
5 tions of higher education, including the voluntary
6 participation of private, nonprofit institutions of
7 higher education, and other stakeholders in the com-
8 prehensive planning process.

9 “(c) DEFINITIONS.—In this subpart:

10 “(1) ELIGIBLE INSTITUTION.—The term ‘eligi-
11 ble institution’ means—

12 “(A) an institution of higher education;

13 “(B) an institution of higher education in
14 partnership with—

15 “(i) a nonprofit or community-based
16 organization that has demonstrated suc-
17 cess in improving student outcomes in
18 postsecondary education; or

19 “(ii) a local workforce investment
20 board; or

21 “(C) a consortium of institutions of higher
22 education.

23 “(2) INSTITUTION OF HIGHER EDUCATION.—
24 The term ‘institution of higher education’ has the
25 meaning given the term in section 101(a).

1 **“SEC. 415C. ALLOTMENT AMONG STATES.**

2 “(a) ALLOTMENT BASED ON NUMBER OF ELIGIBLE
3 STUDENTS IN ATTENDANCE.—Except as provided in sub-
4 section (b), from the sums appropriated under section
5 415H for a fiscal year, the Secretary shall allot to each
6 eligible State for such fiscal year an amount that bears
7 the same ratio to such sums as the number of students
8 residing in such State who are eligible for a Federal Pell
9 Grant bears to the total number of such students in all
10 the eligible States. The Secretary shall calculate such ratio
11 based on data for the most recent year for which satisfac-
12 tory data are available.

13 “(b) MINIMUM ALLOTMENT.—The amount of any eli-
14 gible State’s allotment under subsection (a) for any fiscal
15 year may not be less than 1 percent of the sums appro-
16 priated under section 415H for such year.

17 “(c) REALLOTMENT.—The amount of any State’s al-
18 lotment under subsection (a) for any fiscal year which the
19 Secretary determines will not be required for such fiscal
20 year for the Federal-State partnership program of that
21 State shall be available for reallocation from time to time,
22 on such dates during such year as the Secretary may fix,
23 to other States in proportion to the original allotments to
24 such States under such subsection for such year, but with
25 such proportionate amount for any of such States being
26 reduced to the extent it exceeds the sum the Secretary

1 estimates such State needs and will be able to use for such
2 year for carrying out the State plan. The total of such
3 reductions shall be similarly reallocated among the States
4 whose proportionate amounts were not so reduced.

5 “(d) ALLOTMENTS SUBJECT TO COMPLIANCE.—The
6 Secretary shall make payments for incentive grants under
7 this subpart only to States that continue to meet the re-
8 quirements of this subpart.

9 **“SEC. 415D. APPLICATIONS.**

10 “(a) IN GENERAL.—In order to receive an incentive
11 grant under this subpart, the State agency with jurisdic-
12 tion over higher education, or another agency or entity
13 designated by the Governor or chief executive of the State
14 to administer the program under this subpart, shall sub-
15 mit an application to the Secretary at such time, in such
16 manner, and accompanied by such information as the Sec-
17 retary may require.

18 “(b) CONTENT OF APPLICATION.—An application
19 submitted under subsection (a) shall contain—

20 “(1) a description of how grant funds will assist
21 the State in meeting its goals for student outcomes,
22 including enrollment and completion;

23 “(2) a description of how the grant funds will
24 assist the State in meeting its goals for college af-
25 fordability, including measures to minimize tuition

1 increases and measures to increase the availability of
2 need-based student aid;

3 “(3) a description of how grant funds will assist
4 the State in meeting the postsecondary needs of
5 underrepresented or underserved populations in the
6 State, including how the State will use grant funds
7 to strengthen the eligible institutions described in
8 paragraphs (1) through (7) of section 371(a);

9 “(4) a description of how the State’s com-
10 prehensive plan for public higher education is
11 aligned with the workforce and economic develop-
12 ment plans of the State;

13 “(5) a description of the process the State will
14 use to make subgrants to eligible institutions or con-
15 sortia of eligible institutions, including eligible insti-
16 tutions described in paragraphs (1) through (7) of
17 section 371(a);

18 “(6) a description of how the State will evaluate
19 the effectiveness of such subgrants and how the
20 State will disseminate information on promising
21 practices developed as a result of such subgrants;

22 “(7) a description of how the State will make
23 publicly available a report card on the progress in
24 meeting State goals for public postsecondary edu-
25 cation; and

1 “(8) a description of the stakeholder consulta-
2 tion, including efforts to engage the voluntary par-
3 ticipation of private, nonprofit institutions, carried
4 out in the development of the application.

5 **“SEC. 415E. PAYMENT OF FEDERAL SHARE OF GRANTS.**

6 “(a) IN GENERAL.—

7 “(1) DISTRIBUTION.—A State awarded an in-
8 centive grant under this subpart—

9 “(A) shall use grant funds to award stu-
10 dent grants; and

11 “(B) may use grant funds to award sub-
12 grants to eligible institutions.

13 “(2) GRANTS TO STUDENTS.—A State awarded
14 an incentive grant under this subpart shall establish
15 a program to award grants to students that complies
16 with the following:

17 “(A) The program is administered by a
18 single State agency.

19 “(B) The program provides that an insti-
20 tution of higher education that had a student
21 who received funds under this subpart at any
22 time beginning on July 1, 2010, through the
23 day before the date of enactment of the Part-
24 nerships for Affordability and Student Success
25 Act and that is eligible to participate in a pro-

1 gram authorized under this title, shall be eligi-
2 ble to participate under this paragraph.

3 “(C) The program provides that such
4 grants to students will be in amounts not to ex-
5 ceed the student’s cost of attendance per aca-
6 demic year for attendance at an institution of
7 higher education. Such grants, in combination
8 with other State or Federal student assistance,
9 shall not exceed the student’s cost of attend-
10 ance in any given academic year.

11 “(D) The program provides for the selec-
12 tion of grant recipients on the basis of substan-
13 tial financial need determined under part F and
14 by the State.

15 “(E) The program provides for the pay-
16 ment of the non-Federal share of such grants
17 from funds supplied by such State which rep-
18 resent an additional expenditure for such year
19 by such State for grants for students attending
20 institutions of higher education over the
21 amount expended by such State for such
22 grants, if any, during the second fiscal year
23 preceding the fiscal year in which such State
24 initially received funds under this subpart.

1 “(F) The program provides that if the
2 State’s allotment under this subpart is based,
3 in part, on the financial need demonstrated by
4 students who are independent students or at-
5 tending the institution less than full time, a
6 reasonable proportion of the State’s allotment
7 shall be made available to such students.

8 “(G) The program will notify students re-
9 ceiving grants under this subpart that such
10 grants are Federal–State partnership grants
11 and are funded by the Federal Government and
12 the State.

13 “(3) SUBGRANTS TO ELIGIBLE INSTITU-
14 TIONS.—A State awarded an incentive grant under
15 this subpart may establish a program to award sub-
16 grants to eligible institutions that complies with the
17 following:

18 “(A) The program is administered by a
19 single State agency.

20 “(B) The program provides for the selec-
21 tion of subgrant recipients based on criteria set
22 by the State agency.

23 “(C) The program provides for subgrants
24 that support activities that will assist the State
25 in achieving—

1 “(i) the State’s measurable goals for
2 student outcomes, including enrollment,
3 participation, and completion rates for
4 underrepresented or underserved popu-
5 lations;

6 “(ii) the State’s measurable goals for
7 college affordability, including innovative
8 methods for reducing costs;

9 “(iii) improved workforce outcomes
10 for graduates; and

11 “(iv) the State’s measurable goals for
12 strengthening the eligible institutions de-
13 scribed in paragraphs (1) through (7) of
14 section 371(a).

15 “(D) The program provides for the dis-
16 semination of promising practices developed
17 through subgrant activities.

18 “(4) FISCAL CONTROL; REPORTS.—A State
19 awarded an incentive grant under this subpart shall
20 provide—

21 “(A) for such fiscal control and fund ac-
22 counting procedures as may be necessary to as-
23 sure proper disbursement of and accounting for
24 Federal funds paid under this subpart; and

1 “(B) for the making of such reports, in
2 such form and containing such information, as
3 may be reasonably necessary to enable the Sec-
4 retary to perform the Secretary’s functions
5 under this subpart.

6 “(b) RESERVATION AND DISBURSEMENT OF ALLOT-
7 MENTS AND REALLOTMENTS.—

8 “(1) IN GENERAL.—Upon approval of an appli-
9 cation for an incentive grant under this subpart, the
10 Secretary shall reserve from the applicable allotment
11 (including any applicable reallotment) available, the
12 amount of such payment, which (subject to the lim-
13 its of such allotment or reallotment) shall be equal
14 to the Federal share of the cost of the grants to stu-
15 dents or subgrants to eligible institutions or con-
16 sortia of such institutions covered by such applica-
17 tion.

18 “(2) PAYMENT.—The Secretary shall pay such
19 reserved amount, in advance or by way of reimburse-
20 ment, and in such installments as the Secretary may
21 determine.

22 “(3) AMENDMENT.—The Secretary may amend
23 the reservation of any amount under this subsection,
24 either upon approval of an amendment of the appli-
25 cation or upon revision of the estimated cost of the

1 grants to students or subgrants to eligible institu-
2 tions with respect to which such reservation was
3 made. If the Secretary approves an upward revision
4 of such estimated cost, the Secretary may reserve
5 the Federal share of the added cost only from the
6 applicable allotment (or reallocation) available at the
7 time of such approval.

8 “(c) FEDERAL SHARE.—The Federal share of the
9 cost of carrying out the activities described in paragraphs
10 (1) through (3) of section 415A is equal to 66.66 percent.

11 “(d) CERTAIN ACTIVITIES FOR WHICH NON-FED-
12 ERAL SHARE MAY BE PROVIDED IN CASH OR IN KIND.—
13 For activities described in section 415A(2), the non-Fed-
14 eral share may be provided in cash or in kind, fairly evalu-
15 ated.

16 “(e) REPORTING.—A State that desires to receive
17 payments for continuing incentive grants under this sub-
18 part shall report the following information to the Sec-
19 retary on an annual basis:

20 “(1) The State’s progress in meeting its goals
21 for college affordability, including measures to mini-
22 mize tuition increases at public institutions and
23 measures to increase the availability of need-based
24 student aid.

1 “(2) The State’s progress in meeting the post-
2 secondary needs of underrepresented or underserved
3 populations in the State, including how the State is
4 strengthening the eligible institutions described in
5 paragraphs (1) through (7) of section 371(a).

6 “(3) A list of any subgrants made to eligible in-
7 stitutions.

8 “(4) The State’s report card described in sec-
9 tion 415F.

10 **“SEC. 415F. STATE REPORT CARDS.**

11 “Each State that receives an allotment under this
12 subpart shall report annually to the public on its progress
13 in meeting its public postsecondary education goals and
14 comprehensive plan for public higher education. Such re-
15 port shall include—

16 “(1) information, as determined by the State in
17 consultation with stakeholders, on student outcomes,
18 including enrollment, participation, and completion
19 rates, disaggregated by race, ethnicity, disability sta-
20 tus, and socio-economic status;

21 “(2) information, as determined by the State in
22 consultation with stakeholders, on workforce out-
23 comes for graduates;

1 “(3) information on college costs, including tui-
2 tion increases, student indebtedness, and the avail-
3 ability of need-based aid; and

4 “(4) information on the consumer complaints
5 related to the performance of institutions of higher
6 education reported to the State in the prior year.

7 **“SEC. 415G. PARTICIPATION OF PRIVATE, NONPROFIT IN-**
8 **STITUTIONS OF HIGHER EDUCATION.**

9 “(a) VOLUNTARY PARTICIPATION.—A private, non-
10 profit institution of higher education may voluntarily elect
11 to participate in a State’s efforts under the plan described
12 in section 415B(b)(6). A State—

13 “(1) shall not require any private, nonprofit in-
14 stitution to participate in such efforts; and

15 “(2) may require such an institution that volun-
16 tarily elects to participate in such efforts to provide
17 appropriate information to allow the State to assess
18 the institution’s progress towards the goals and ac-
19 tivities described in subparagraphs (A) through (E)
20 of section 415B(b)(6).

21 “(b) RULE OF CONSTRUCTION.—Nothing in this sub-
22 part, including voluntary participation described in sub-
23 section (a), shall be construed to—

24 “(1) authorize the Secretary, a State, or an of-
25 ficer or employee of the Department or of a State

1 to exercise any direction, supervision, or control over
2 a private, nonprofit institution of higher education,
3 including control over curriculum, program of in-
4 struction, administration, governance, personnel, ar-
5 ticipation, the awarding of credit, graduation or de-
6 gree requirements, or admissions;

7 “(2) authorize the Secretary, a State, or an of-
8 ficer or employee of the Department or of a State
9 to require a private, nonprofit institution of higher
10 education to participate in a longitudinal data sys-
11 tem; or

12 “(3) limit the application of the General Edu-
13 cation Provisions Act.

14 “(c) ENFORCEMENT.—If any State fails or refuses
15 to comply with any provision of this section, the State
16 shall no longer be eligible for assistance under this sub-
17 part.

18 **“SEC. 415H. AUTHORIZATION OF APPROPRIATIONS; RES-**
19 **ERVATIONS.**

20 “(a) IN GENERAL.—There are authorized to be ap-
21 propriated to carry out this subpart such sums as may
22 be necessary for fiscal year 2015 and each of the 4 suc-
23 ceeding fiscal years.

1 “(b) RESERVATION.—Not less than 70 percent of
2 funds allocated to a State shall be reserved for providing
3 grants to eligible students.

4 “(c) RESERVATION FOR CONSUMER INFORMATION
5 AND ADMINISTRATIVE EXPENSES.—Not more than 8 per-
6 cent of the funds allocated to a State may be used to pro-
7 vide public accountability and consumer information on
8 the performance of institutions of higher education and
9 for administering the grant.”.

○