

the TEACH Grant award, the service obligation, and the loan repayment requirements that are the consequence of the failure to complete the service obligation.

**(c) Repayment for failure to complete service**

In the event that any recipient of a grant under this subpart fails or refuses to comply with the service obligation in the agreement under subsection (b), the sum of the amounts of any TEACH Grants received by such recipient shall, upon a determination of such a failure or refusal in such service obligation, be treated as a Federal Direct Unsubsidized Stafford Loan under part C, and shall be subject to repayment, together with interest thereon accruing from the date of the grant award, in accordance with terms and conditions specified by the Secretary in regulations under this subpart.

**(d) Additional administrative provisions**

**(1) Change of high-need designation**

If a recipient of an initial grant under this subpart has acquired an academic degree, or expertise, in a field that was, at the time of the recipient's application for that grant, designated as high need in accordance with subsection (b)(1)(C)(vii), but is no longer so designated, the grant recipient may fulfill the service obligation described in subsection (b)(1) by teaching in that field.

**(2) Extenuating circumstances**

The Secretary shall establish, by regulation, categories of extenuating circumstances under which a recipient of a grant under this subpart who is unable to fulfill all or part of the recipient's service obligation may be excused from fulfilling that portion of the service obligation.

(Pub. L. 89-329, title IV, §420N, as added Pub. L. 110-84, title I, §104, Sept. 27, 2007, 121 Stat. 788; amended Pub. L. 110-315, title IV, §412(a)(1), Aug. 14, 2008, 122 Stat. 3226.)

AMENDMENTS

2008—Subsec. (b)(3). Pub. L. 110-315, §412(a)(1)(A), added par. (3).

Subsec. (d). Pub. L. 110-315, §412(a)(1)(B), added subsec. (d).

EFFECTIVE DATE OF 2008 AMENDMENT

Pub. L. 110-315, title IV, §412(b), Aug. 14, 2008, 122 Stat. 3227, provided that: "The amendments made by subsection (a)(1) [amending this section] shall take effect on July 1, 2010."

**§ 1070g-3. Program period and funding**

Beginning on July 1, 2008, there shall be available to the Secretary to carry out this subpart, from funds not otherwise appropriated, such sums as may be necessary to provide TEACH Grants in accordance with this subpart to each eligible applicant.

(Pub. L. 89-329, title IV, §420O, as added Pub. L. 110-84, title I, §104, Sept. 27, 2007, 121 Stat. 790.)

**§ 1070g-4. Program report**

Not later than two years after August 14, 2008, and every two years thereafter, the Secretary shall prepare and submit to the authorizing

committees a report on TEACH grants with respect to the schools and students served by recipients of such grants. Such report shall take into consideration information related to—

- (1) the number of TEACH grant recipients;
- (2) the degrees obtained by such recipients;
- (3) the location, including the school, local educational agency, and State, where the recipients completed the service agreed to under section 1070g-2(b) of this title and the subject taught;
- (4) the duration of such service; and
- (5) any other data necessary to conduct such evaluation.

(Pub. L. 89-329, title IV, §420P, as added Pub. L. 110-315, title IV, §412(a)(2), Aug. 14, 2008, 122 Stat. 3227.)

SUBPART 10—SCHOLARSHIPS FOR VETERAN'S DEPENDENTS

**§ 1070h. Scholarships for veteran's dependents**

**(a) Definition of eligible veteran's dependent**

The term "eligible veteran's dependent" means a dependent or an independent student—

- (1) whose parent or guardian was a member of the Armed Forces of the United States and died as a result of performing military service in Iraq or Afghanistan after September 11, 2001; and
- (2) who, at the time of the parent or guardian's death, was—
  - (A) less than 24 years of age; or
  - (B) enrolled at an institution of higher education on a part-time or full-time basis.

**(b) Grants**

**(1) In general**

The Secretary shall award a grant to each eligible veteran's dependent to assist in paying the eligible veteran's dependent's cost of attendance at an institution of higher education.

**(2) Designation**

Grants made under this section shall be known as "Iraq and Afghanistan Service Grants".

**(c) Prevention of double benefits**

No eligible veteran's dependent may receive a grant under both this section and section 1070a of this title.

**(d) Terms and conditions**

The Secretary shall award grants under this section in the same manner, and with the same terms and conditions, including the length of the period of eligibility, as the Secretary awards Federal Pell Grants under section 1070a of this title, except that—

- (1) the award rules and determination of need applicable to the calculation of Federal Pell Grants, shall not apply to grants made under this section;
- (2) the provisions of subsection (a)(3), subsection (b)(1), the matter following subsection (b)(2)(A)(v),<sup>1</sup> subsection (b)(3), and subsection (f), of section 1070a of this title shall not apply; and
- (3) a grant made under this section to an eligible veteran's dependent for any award year

<sup>1</sup> See References in Text note below.

shall equal the maximum Federal Pell Grant available for that award year, except that such a grant under this section—

(A) shall not exceed the cost of attendance of the eligible veteran's dependent for that award year; and

(B) shall be adjusted to reflect the attendance by the eligible veteran's dependent on a less than full-time basis in the same manner as such adjustments are made under section 1070a of this title.

**(e) Estimated financial assistance**

For purposes of determinations of need under part E, a grant awarded under this section shall not be treated as estimated financial assistance as described in sections 1087kk(3) and 1087vv(j) of this title.

**(f) Authorization and appropriations of funds**

There are authorized to be appropriated, and there are appropriated, out of any money in the Treasury not otherwise appropriated, for the Secretary to carry out this section, such sums as may be necessary for fiscal year 2010 and each succeeding fiscal year.

(Pub. L. 89-329, title IV, § 420R, as added Pub. L. 111-39, title IV, § 401(a)(9), July 1, 2009, 123 Stat. 1939.)

REFERENCES IN TEXT

Section 1070a(b)(2)(A) of this title, referred to in subsec. (d)(2), as originally enacted, contained cls. (i) to (vi) followed by concluding provisions. Section 1070a(b)(2)(A) of this title was amended generally by section 2101(a)(1) of Pub. L. 111-152 and, as so amended, no longer contains either a cl. (v) or concluding provisions.

EFFECTIVE DATE

Pub. L. 111-39, title IV, § 401(b), July 1, 2009, 123 Stat. 1940, provided that: "The amendment made by subsection (a)(9) [enacting this subpart] shall take effect on July 1, 2010."

PART B—FEDERAL FAMILY EDUCATION LOAN PROGRAM

CODIFICATION

Part B of title IV of the Higher Education Act of 1965, comprising this part, was originally enacted by Pub. L. 89-329, title IV, Nov. 8, 1965, 79 Stat. 1236, and amended by Pub. L. 89-698, Oct. 29, 1966, 80 Stat. 1066; Pub. L. 89-752, Nov. 3, 1966, 80 Stat. 1240; Pub. L. 89-794, Nov. 8, 1966, 80 Stat. 1451; Pub. L. 90-460, Aug. 3, 1968, 82 Stat. 634; Pub. L. 90-575, Oct. 16, 1968, 82 Stat. 1014; Pub. L. 91-206, Mar. 10, 1970, 84 Stat. 49; Pub. L. 92-318, June 23, 1972, 86 Stat. 235; Pub. L. 93-269, Apr. 18, 1974, 88 Stat. 87; Pub. L. 93-604, Jan. 2, 1975, 88 Stat. 1959; Pub. L. 94-273, Apr. 21, 1976, 90 Stat. 375; Pub. L. 94-328, June 30, 1976, 90 Stat. 727; Pub. L. 94-482, Oct. 12, 1976, 90 Stat. 2081; S. Res. 4, Feb. 4, 1977; Pub. L. 95-43, June 15, 1977, 91 Stat. 213; Pub. L. 95-561, Nov. 1, 1978, 92 Stat. 2143; Pub. L. 95-566, Nov. 1, 1978, 92 Stat. 2402; Pub. L. 95-598, Nov. 6, 1978, 92 Stat. 2549; Pub. L. 95-630, Nov. 10, 1978, 92 Stat. 3641; S. Res. 30, Mar. 7, 1979; Pub. L. 96-49, Aug. 13, 1979, 93 Stat. 351; Pub. L. 96-88, Oct. 17, 1979, 93 Stat. 668; Pub. L. 96-374, Oct. 3, 1980, 94 Stat. 1367; Pub. L. 97-35, Aug. 13, 1981, 95 Stat. 357; Pub. L. 97-115, Dec. 29, 1981, 95 Stat. 1595; Pub. L. 97-301, Oct. 13, 1982, 96 Stat. 1400; Pub. L. 98-79, Aug. 15, 1983, 97 Stat. 476; Pub. L. 99-272, Apr. 7, 1986, 100 Stat. 82; Pub. L. 99-320, May 23, 1986, 100 Stat. 491. Such part is shown herein, however, as having been added by Pub. L. 99-498, title IV, § 402(a), Oct. 17, 1986, 100 Stat. 1353, without reference to such intervening amendments because of the extensive revision of part B by Pub. L. 99-498.

**§ 1071. Statement of purpose; nondiscrimination; and appropriations authorized**

**(a) Purpose; discrimination prohibited**

**(1) Purpose**

The purpose of this part is to enable the Secretary—

(A) to encourage States and nonprofit private institutions and organizations to establish adequate loan insurance programs for students in eligible institutions (as defined in section 1085 of this title),

(B) to provide a Federal program of student loan insurance for students or lenders who do not have reasonable access to a State or private nonprofit program of student loan insurance covered by an agreement under section 1078(b) of this title,

(C) to pay a portion of the interest on loans to qualified students which are insured under this part, and

(D) to guarantee a portion of each loan insured under a program of a State or of a nonprofit private institution or organization which meets the requirements of section 1078(a)(1)(B) of this title.

**(2) Discrimination by creditors prohibited**

No agency, organization, institution, bank, credit union, corporation, or other lender who regularly extends, renews, or continues credit or provides insurance under this part shall exclude from receipt or deny the benefits of, or discriminate against any borrower or applicant in obtaining, such credit or insurance on the basis of race, national origin, religion, sex, marital status, age, or handicapped status.

**(b) Authorization of appropriations**

For the purpose of carrying out this part—

(1) there are authorized to be appropriated to the student loan insurance fund (established by section 1081 of this title) (A) the sum of \$1,000,000, and (B) such further sums, if any, as may become necessary for the adequacy of the student loan insurance fund,

(2) there are authorized to be appropriated, for payments under section 1078 of this title with respect to interest on student loans and for payments under section 1087 of this title, such sums for the fiscal year ending June 30, 1966, and succeeding fiscal years, as may be required therefor,

(3) there is authorized to be appropriated the sum of \$17,500,000 for making advances pursuant to section 1072 of this title for the reserve funds of State and nonprofit private student loan insurance programs,

(4) there are authorized to be appropriated (A) the sum of \$12,500,000 for making advances after June 30, 1968, pursuant to sections 1072(a) and (b) of this title, and (B) such sums as may be necessary for making advances pursuant to section 1072(c) of this title, for the reserve funds of State and nonprofit private student loan insurance programs,

(5) there are authorized to be appropriated such sums as may be necessary for the purpose of paying a loan processing and issuance fee in accordance with section 1078(f) of this title to guaranty agencies, and