

the pilot program generated competition among lenders to participate in the auctions under the pilot program;

(3) the number and volume of loans made under the pilot program in each State;

(4) the effect of the transition to and operation of the pilot program on the ability of—

(A) lenders participating in the pilot program to originate loans made through the pilot program smoothly and efficiently;

(B) institutions of higher education participating in the pilot program to disburse loans made through the pilot program smoothly and efficiently; and

(C) parents to obtain loans made through the pilot program in a timely and efficient manner;

(5) the differential impact, if any, of the auction among the States, including between rural and non-rural States; and

(6) the feasibility of using the mechanism piloted to operate the other loan programs under part B of this subchapter.

(d) Reports

(1) In general

The Secretary and the Secretary of the Treasury shall submit to the authorizing committees—

(A) not later than September 1, 2010, a preliminary report regarding the findings of the evaluation described in subsection (c);

(B) not later than September 1, 2012, an interim report regarding such findings; and

(C) not later than September 1, 2013, a final report regarding such findings.

(2) Contents

The Secretary shall include, in each report required under subparagraphs (A), (B), and (C) of paragraph (1), any recommendations, that are based on the findings of the evaluation under subsection (c), for—

(A) improving the operation and administration of the auction; and

(B) improving the operation and administration of other loan programs under part B.

(Pub. L. 89-329, title IV, § 499, as added Pub. L. 110-84, title VII, § 701, Sept. 27, 2007, 121 Stat. 808; amended Pub. L. 110-315, title IV, § 499, Aug. 14, 2008, 122 Stat. 3328.)

AMENDMENTS

2008—Subsec. (b)(3)(B)(iii). Pub. L. 110-315, § 499(1)(A), added cl. (iii).

Subsec. (b)(3)(G). Pub. L. 110-315, § 499(1)(B), added subpar. (G) and struck out former subpar. (G). Text of former subpar. (G) read as follows: “Each eligible lender having a winning bid under subparagraph (F) enters into an agreement with the Secretary under which the eligible lender—

“(i) agrees to originate eligible Federal PLUS Loans under this paragraph to each borrower who—

“(I) seeks an eligible Federal PLUS Loan under this paragraph to enable a dependent student to attend an institution of higher education within the State;

“(II) is eligible for an eligible Federal PLUS Loan; and

“(III) elects to borrow from the eligible lender; and

“(ii) agrees to accept a special allowance payment (after the application of section 1087-1(b)(2)(I)(v) of

this title) from the Secretary with respect to the eligible Federal PLUS Loans originated under clause (i) in the amount proposed in the second lowest winning bid described in subparagraph (F) for the applicable State auction.”

Subsec. (b)(3)(J). Pub. L. 110-315, § 499(1)(C), added subpar. (J) and struck out former subpar. (J). Text of former subpar. (J) read as follows: “The Secretary guarantees the eligible Federal PLUS Loans made under this paragraph against losses resulting from the default of a parent borrower in an amount equal to 99 percent of the unpaid principal and interest due on the loan.”

Subsecs. (c), (d). Pub. L. 110-315, § 499(2), added subsecs. (c) and (d).

EFFECTIVE DATE

Section effective Oct. 1, 2007, see section 1(c) of Pub. L. 110-84, set out as an Effective Date of 2007 Amendment note under section 1070a of this title.

PART I—TRANSFERRED

CODIFICATION

Part J of title IV of Pub. L. 89-329, comprising this part, was redesignated part F of title III of Pub. L. 89-329 by Pub. L. 110-315, title III, § 316(a)(2), Aug. 14, 2008, 122 Stat. 3185, and transferred to part F (§ 1067q) of subchapter III of this chapter.

§ 1099e. Transferred

CODIFICATION

Section, Pub. L. 89-329, title IV, § 499A, as added Pub. L. 110-84, title VIII, § 802, Sept. 27, 2007, 121 Stat. 817, which related to investment in historically Black colleges and universities and other minority-serving institutions, was transferred to section 1067q of this title.

SUBCHAPTER V—DEVELOPING INSTITUTIONS

CODIFICATION

Title V of the Higher Education Act of 1965, comprising this subchapter, was originally enacted by Pub. L. 89-329, Nov. 8, 1965, 79 Stat. 1254; amended Pub. L. 90-35, June 29, 1967, 81 Stat. 81; Pub. L. 90-83, Sept. 11, 1967, 81 Stat. 195; Pub. L. 90-247, Jan. 2, 1968, 81 Stat. 783; Pub. L. 90-575, Oct. 16, 1968, 82 Stat. 1014; Pub. L. 91-230, Apr. 13, 1970, 84 Stat. 121; Pub. L. 92-318, June 23, 1972, 86 Stat. 235; Pub. L. 93-380, Aug. 21, 1974, 88 Stat. 484; Pub. L. 94-482, Oct. 12, 1976, 90 Stat. 2081; Pub. L. 95-43, June 15, 1977, 91 Stat. 213; Pub. L. 95-561, Nov. 1, 1978, 92 Stat. 2143; 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. 97-300, Oct. 13, 1982, 96 Stat. 1322; Pub. L. 98-558, Oct. 30, 1984, 98 Stat. 2878; Pub. L. 99-386, Aug. 22, 1986, 100 Stat. 821; Pub. L. 99-498, Oct. 17, 1986, 100 Stat. 1268; Pub. L. 100-50, June 3, 1987, 101 Stat. 335; Pub. L. 101-226, Dec. 12, 1989, 103 Stat. 1928; Pub. L. 102-325, July 23, 1992, 106 Stat. 448; Pub. L. 103-208, Dec. 20, 1993, 107 Stat. 2457; Pub. L. 103-227, Mar. 31, 1994, 108 Stat. 125; Pub. L. 103-382, Oct. 20, 1994, 108 Stat. 3518. Title V is shown herein, however, as having been added by Pub. L. 105-244, title V, § 501, Oct. 7, 1998, 112 Stat. 1765, without reference to those intervening amendments because of the extensive revision of title V by Pub. L. 105-244.

PART A—HISPANIC-SERVING INSTITUTIONS

PRIOR PROVISIONS

A prior part A consisted of sections 1102 to 1102j and related to State and local programs for teacher excellence prior to the general amendment of this subchapter by Pub. L. 105-244.

§ 1101. Findings; purpose; and program authority

(a) Findings

Congress makes the following findings:

(1) Hispanic Americans are at high risk of not enrolling or graduating from institutions of higher education.

(2) Disparities between the enrollment of non-Hispanic white students and Hispanic students in postsecondary education are increasing. Between 1973 and 1994, enrollment of white secondary school graduates in 4-year institutions of higher education increased at a rate two times higher than that of Hispanic secondary school graduates.

(3) Despite significant limitations in resources, Hispanic-serving institutions provide a significant proportion of postsecondary opportunities for Hispanic students.

(4) Relative to other institutions of higher education, Hispanic-serving institutions are underfunded. Such institutions receive significantly less in State and local funding, per full-time equivalent student, than other institutions of higher education.

(5) Hispanic-serving institutions are succeeding in educating Hispanic students despite significant resource problems that—

(A) limit the ability of such institutions to expand and improve the academic programs of such institutions; and

(B) could imperil the financial and administrative stability of such institutions.

(6) There is a national interest in remedying the disparities described in paragraphs (2) and (4) and ensuring that Hispanic students have an equal opportunity to pursue postsecondary opportunities.

(b) Purpose

The purpose of this subchapter is to—

(1) expand educational opportunities for, and improve the academic attainment of, Hispanic students; and

(2) expand and enhance the academic offerings, program quality, and institutional stability of colleges and universities that are educating the majority of Hispanic college students and helping large numbers of Hispanic students and other low-income individuals complete postsecondary degrees.

(c) Program authority

The Secretary shall provide grants and related assistance to Hispanic-serving institutions to enable such institutions to improve and expand their capacity to serve Hispanic students and other low-income individuals.

(Pub. L. 89-329, title V, §501, as added Pub. L. 105-244, title V, §501, Oct. 7, 1998, 112 Stat. 1765.)

PRIOR PROVISIONS

A prior section 1101, Pub. L. 89-329, title V, §500, as added Pub. L. 102-325, title V, §501(a), July 23, 1992, 106 Stat. 653, set forth findings of Congress and purpose of this subchapter, prior to the general amendment of this subchapter by Pub. L. 105-244.

Another prior section 1101, Pub. L. 89-329, title V, §501, as added Pub. L. 99-498, title V, §501(a), Oct. 17, 1986, 100 Stat. 1495, related to statement of purpose and applicability of this subchapter, prior to the general amendment of this subchapter by Pub. L. 102-325.

Another prior section 1101, Pub. L. 89-329, title V, §511, Nov. 8, 1965, 79 Stat. 1255; Pub. L. 90-35, §3(a)(3), (b), June 29, 1967, 81 Stat. 85; Pub. L. 90-575, title II, §231(a), (b)(1), Oct. 16, 1968, 82 Stat. 1039; Pub. L. 91-230, title

VIII, §§804(b), 805(a), Apr. 13, 1970, 84 Stat. 190, 191; Pub. L. 92-318, title I, §141(a)(1)(A), (c)(1)(C), June 23, 1972, 86 Stat. 284, 285; Pub. L. 93-380, title VIII, §835(a)(1), Aug. 21, 1974, 88 Stat. 605; Pub. L. 94-482, title I, §§151(a)(5)(A), 152(a), Oct. 12, 1976, 90 Stat. 2152; Pub. L. 96-49, §6(a), Aug. 13, 1979, 93 Stat. 353; Pub. L. 96-374, title V, §501(a), Oct. 3, 1980, 94 Stat. 1459, set forth statement of purpose and authorization of appropriations for Teacher Corps program, prior to repeal by Pub. L. 97-35, title V, §587(a)(2), Aug. 13, 1981, 95 Stat. 480, eff. Oct. 1, 1982.

A prior section 501 of Pub. L. 89-329 was classified to section 1102 of this title prior to the general amendment of this subchapter by Pub. L. 105-244.

Another prior section 501 of Pub. L. 89-329 was classified to section 1091 of this title prior to repeal by Pub. L. 94-482.

EFFECTIVE DATE

Subchapter effective Oct. 1, 1998, except as otherwise provided in Pub. L. 105-244, see section 3 of Pub. L. 105-244, set out as an Effective Date of 1998 Amendment note under section 1001 of this title.

NATIONAL JOB BANK FOR TEACHER RECRUITMENT

Pub. L. 102-325, title XIV, §1412, July 23, 1992, 106 Stat. 822, authorized Secretary of Education to conduct study on feasibility of establishing national and regional clearinghouses to operate national and regional teacher job banks and to contract one or more entities to establish a national or regional teacher job bank clearinghouse, prior to repeal by Pub. L. 105-332, §6(b)(2), Oct. 31, 1998, 112 Stat. 3128.

TRAINING AND TECHNICAL ASSISTANCE FOR SCHOOL-BASED DECISIONMAKERS DEMONSTRATION PROGRAM

Pub. L. 102-325, title XV, §1531, July 23, 1992, 106 Stat. 834, authorized Secretary of Education to make grants to local education agencies, in consortia with one or more institutions of higher education, to establish programs to provide training and technical assistance to school-based decisionmakers in local education agencies implementing system-wide reform, prior to repeal by Pub. L. 105-332, §6(b)(3), Oct. 31, 1998, 112 Stat. 3128.

§ 1101a. Definitions; eligibility

(a) Definitions

For the purpose of this subchapter:

(1) Educational and general expenditures

The term “educational and general expenditures” means the total amount expended by an institution for instruction, research, public service, academic support (including library expenditures), student services, institutional support, scholarships and fellowships, operation and maintenance expenditures for the physical plant, and any mandatory transfers that the institution is required to pay by law.

(2) Eligible institution

The term “eligible institution” means—

(A) an institution of higher education—

(i) that has an enrollment of needy students as required by subsection (b) of this section;

(ii) except as provided in section 1103a(b) of this title, the average educational and general expenditures of which are low, per full-time equivalent undergraduate student, in comparison with the average educational and general expenditures per full-time equivalent undergraduate student of institutions that offer similar instruction;

(iii) that is—