

former part C of this subchapter by Pub. L. 94-482, title I, §107, Oct. 12, 1976, 90 Stat. 2090.

A prior section 1043, Pub. L. 89-329, title II, §223, as added Pub. L. 107-110, title X, §1051(3), Jan. 8, 2002, 115 Stat. 2082, related to use of funds, prior to repeal by Pub. L. 110-315, title II, §201(3), Aug. 14, 2008, 122 Stat. 3154.

Another prior section 1043, Pub. L. 89-329, title II, §233, as added Pub. L. 94-482, title I, §107, Oct. 12, 1976, 90 Stat. 2090, related to eligibility for assistance under research library resources strengthening program, prior to the general amendment of this subchapter by Pub. L. 96-374.

A prior section 1044, Pub. L. 89-329, title II, §224, as added Pub. L. 107-110, title X, §1051(3), Jan. 8, 2002, 115 Stat. 2083, related to authorization of appropriations, prior to repeal by Pub. L. 110-315, title II, §201(3), Aug. 14, 2008, 122 Stat. 3154.

Another prior section 1044, Pub. L. 89-329, title II, §234, as added Pub. L. 94-482, title I, §107, Oct. 12, 1976, 90 Stat. 2090, related to regional balance in allocation of funds, prior to the general amendment of this subchapter by Pub. L. 96-374.

Prior sections 1045 and 1046 were omitted in the general amendment of this subchapter by Pub. L. 96-374.

Section 1045, Pub. L. 89-329, title II, §235, as added Pub. L. 94-482, title I, §107, Oct. 12, 1976, 90 Stat. 2091, set out limitations on grants as regards sectarian or religious use.

Section 1046, Pub. L. 89-329, title II, §236, as added Pub. L. 94-482, title I, §107, Oct. 12, 1976, 90 Stat. 2091, required consultations with grantees with State agencies.

A prior section 1047, Pub. L. 89-329, title II, §241, as added Pub. L. 99-498, title II, §207, Oct. 17, 1986, 100 Stat. 1289; amended Pub. L. 102-325, title II, §201, July 23, 1992, 106 Stat. 471; Pub. L. 103-208, §2(a)(3), Dec. 20, 1993, 107 Stat. 2457, authorized Secretary to make grants to and enter into contracts with eligible institutions, library organizations or agencies to assist in strengthening library and information science programs and libraries in historically black colleges and universities and other minority-serving institutions, prior to repeal by Pub. L. 104-208, div. A, title I, §101(e) [title VII, §708(b)], Sept. 30, 1996, 110 Stat. 3009-233, 3009-312.

Another prior section 1047 and prior sections 1047a to 1047j were omitted in the general amendment of former part D of this subchapter by Pub. L. 99-498.

Section 1047, Pub. L. 89-329, title II, §241, as added Pub. L. 96-374, title II, §201, Oct. 3, 1980, 94 Stat. 1386, stated congressional declaration of purpose.

Section 1047a, Pub. L. 89-329, title II, §242, as added Pub. L. 96-374, title II, §201, Oct. 3, 1980, 94 Stat. 1387, established National Periodical System Corporation.

Section 1047b, Pub. L. 89-329, title II, §243, as added Pub. L. 96-374, title II, §201, Oct. 3, 1980, 94 Stat. 1387, related to functions of National Periodical System Corporation.

Section 1047c, Pub. L. 89-329, title II, §244, as added Pub. L. 96-374, title II, §201, Oct. 3, 1980, 94 Stat. 1387, related to board of directors of National Periodical System Corporation.

Section 1047d, Pub. L. 89-329, title II, §245, as added Pub. L. 96-374, title II, §201, Oct. 3, 1980, 94 Stat. 1388, related to director and staff of National Periodical System Corporation.

Section 1047e, Pub. L. 89-329, title II, §246, as added Pub. L. 96-374, title II, §201, Oct. 3, 1980, 94 Stat. 1388, related to nonprofit nature of National Periodical System Corporation.

Section 1047f, Pub. L. 89-329, title II, §247, as added Pub. L. 96-374, title II, §201, Oct. 3, 1980, 94 Stat. 1388, related to authority of National Periodical System Corporation.

Section 1047g, Pub. L. 89-329, title II, §248, as added Pub. L. 96-374, title II, §201, Oct. 3, 1980, 94 Stat. 1389, related to congressional approval of design for national periodical system.

Section 1047h, Pub. L. 89-329, title II, §249, as added Pub. L. 96-374, title II, §201, Oct. 3, 1980, 94 Stat. 1389, related to effect of former part D of this subchapter on copyright law.

Section 1047i, Pub. L. 89-329, title II, §250, as added Pub. L. 96-374, title II, §201, Oct. 3, 1980, 94 Stat. 1389, defined terms used in former part D of this subchapter.

Section 1047j, Pub. L. 89-329, title II, §251, as added Pub. L. 96-374, title II, §201, Oct. 3, 1980, 94 Stat. 1390, authorized appropriations to carry out former part D of this subchapter.

SUBCHAPTER III—INSTITUTIONAL AID

CODIFICATION

Title III of the Higher Education Act of 1965, comprising this subchapter, was originally enacted by Pub. L. 89-329, title III, Nov. 8, 1965, 79 Stat. 1229, and amended by Pub. L. 89-752, Nov. 3, 1966, 80 Stat. 1240; 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. 96-49, Aug. 13, 1979, 93 Stat. 351; Pub. L. 96-374, Oct. 3, 1980, 94 Stat. 1367; Pub. L. 97-35, Aug. 13, 1981, 95 Stat. 357; Pub. L. 98-95, Sept. 26, 1983, 97 Stat. 708; Pub. L. 98-312, June 12, 1984, 98 Stat. 233. Such title is shown herein, however, as having been added by Pub. L. 99-498, title III, §301(a), Oct. 17, 1986, 100 Stat. 1290, without reference to such intervening amendments because of the extensive revision of title III by Pub. L. 99-498.

§ 1051. Findings and purpose

(a) Findings

The Congress finds that—

(1) there are a significant number of institutions of higher education serving high percentages of minority students and students from low-income backgrounds, that face problems that threaten their ability to survive;

(2) the problems relate to the management and fiscal operations of certain institutions of higher education, as well as to an inability to engage in long-range planning and development activities, including endowment building;

(3) in order to be competitive and provide a high-quality education for all, institutions of higher education should improve their technological capacity and make effective use of technology;

(4) the subchapter III program prior to 1985 did not always meet the specific development needs of historically Black colleges and universities and other institutions with large concentrations of minority, low-income students;

(5) the solution of the problems of these institutions would enable them to become viable, fiscally stable and independent, thriving institutions of higher education;

(6) providing assistance to eligible institutions will enhance the role of such institutions in providing access and quality education to low-income and minority students;

(7) these institutions play an important role in the American system of higher education, and there is a strong national interest in assisting them in solving their problems and in stabilizing their management and fiscal operations, and in becoming financially independent; and

(8) there is a particular national interest in aiding those institutions of higher education that have historically served students who have been denied access to postsecondary education because of race or national origin and

whose participation in the American system of higher education is in the Nation's interest so that equality of access and quality of postsecondary education opportunities may be enhanced for all students.

(b) Purpose

It is the purpose of this subchapter to assist such institutions in equalizing educational opportunity through a program of Federal assistance.

(Pub. L. 89-329, title III, §301, as added Pub. L. 99-498, title III, §301(a), Oct. 17, 1986, 100 Stat. 1290; amended Pub. L. 102-325, title III, §301, July 23, 1992, 106 Stat. 472; Pub. L. 103-208, §2(a)(4), Dec. 20, 1993, 107 Stat. 2457; Pub. L. 105-244, title III, §302, Oct. 7, 1998, 112 Stat. 1637.)

PRIOR PROVISIONS

A prior section 1051, Pub. L. 89-329, title III, §301, as added Pub. L. 96-374, title III, §301, Oct. 3, 1980, 94 Stat. 1390, stated Congressional findings and purposes for program of providing Federal assistance to institutions of higher education, prior to the general revision of this subchapter by Pub. L. 99-498.

Another prior section 1051, Pub. L. 89-329, title III, §301, Nov. 8, 1965, 79 Stat. 1229; Pub. L. 89-752, §10, Nov. 3, 1966, 80 Stat. 1243; Pub. L. 90-575, title II, §§221, 222, Oct. 16, 1968, 82 Stat. 1038; Pub. L. 92-318, title I, §121(a), June 23, 1972, 86 Stat. 241; Pub. L. 94-482, title I, §111, Oct. 12, 1976, 90 Stat. 2091; Pub. L. 96-49, §4, Aug. 13, 1979, 93 Stat. 351, related to a program of special assistance to strengthen the academic quality of developing institutions, prior to the general revision of this subchapter by Pub. L. 96-374.

Prior sections 1052 to 1056 were omitted in the general revision of this subchapter by Pub. L. 96-374.

Section 1052, Pub. L. 89-329, title III, §302, Nov. 8, 1965, 79 Stat. 1229; Pub. L. 92-318, title I, §121(a), June 23, 1972, 86 Stat. 241; Pub. L. 93-380, title VIII, §832, Aug. 21, 1974, 88 Stat. 603; Pub. L. 94-482, title I, §112, Oct. 12, 1976, 90 Stat. 2091, related to eligibility for special assistance.

Section 1053, Pub. L. 89-329, title III, §303, Nov. 8, 1965, 79 Stat. 1230; Pub. L. 91-230, title IV, §401(h)(4), Apr. 13, 1970, 84 Stat. 174; Pub. L. 92-318, title I, §121(a), title III, §301(a)(1), June 23, 1972, 86 Stat. 242, 326, provided for the establishment of an Advisory Council on Developing Institutions.

Section 1054, Pub. L. 89-329, title III, §304, Nov. 8, 1965, 79 Stat. 1230; Pub. L. 92-318, title I, §121(a), June 23, 1972, 86 Stat. 243, authorized the Commissioner of Education to make grants and awards.

Section 1055, Pub. L. 89-329, title III, §305, Nov. 8, 1965, 79 Stat. 1231; Pub. L. 92-318, title I, §121(a), June 23, 1972, 86 Stat. 244, related to assistance to developing institutions under other programs.

Section 1056, Pub. L. 89-329, title III, §306, as added Pub. L. 90-575, title II, §223(a), Oct. 16, 1968, 82 Stat. 1038; amended Pub. L. 92-318, title I, §121(a), June 23, 1972, 86 Stat. 245, prohibited the use of funds for religious activities.

AMENDMENTS

1998—Pars. (3) to (8). Pub. L. 105-244 added par. (3) and redesignated former pars. (3) to (7) as (4) to (8), respectively.

1993—Subsec. (a)(2). Pub. L. 103-208 struck out the comma after “planning”.

1992—Subsec. (a)(1). Pub. L. 102-325, §301(1), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “many institutions of higher education in this era of declining enrollments and scarce resources face problems which threaten their ability to survive;”.

Subsec. (a)(2). Pub. L. 102-325, §301(2), struck out “recruitment activities,” after “long-range planning;”.

Subsec. (a)(5). Pub. L. 102-325, §301(3), amended par. (5) generally. Prior to amendment, par. (5) read as fol-

lows: “providing a minimum level of assistance to all categories of eligible institutions will assure the continued participation of the institutions in the program established in this subchapter and enhance their role in providing access and quality education to low-income and minority students;”.

EFFECTIVE DATE OF 1998 AMENDMENT

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

EFFECTIVE DATE OF 1993 AMENDMENT

Pub. L. 103-208, §5, Dec. 20, 1993, 107 Stat. 2488, provided that:

“(a) IN GENERAL.—Except as otherwise provided therein or in subsection (b) of this section, the amendments made by section 2 of this Act [see Tables for classification] shall be effective as if such amendments were included in the Higher Education Amendments of 1992 (Public Law 102-325), except that section 492 of the Act [section 1098a of this title] shall not apply to the amendments made by this Act [see Tables for classification].

“(b) EXCEPTIONS.—

“(1) EFFECTIVE ON OCTOBER 1, 1993.—The amendments made by the following subsections of section 2 of this Act shall be effective on and after October 1, 1993: (b)(29), (j)(28), (j)(36), and (j)(40) [amending sections 1070d-34, 1134e, 1134j, and 1134g of this title].

“(2) EFFECTIVE ON DATE OF ENACTMENT.—The amendments made by the following subsections of section 2 of this Act shall be effective on and after the date of enactment of this Act [Dec. 20, 1993]: (b)(2), (b)(7), (b)(28), (c)(3), (c)(5), (c)(13)(B), (c)(13)(C), (c)(18), (c)(30), (c)(62) [amending sections 1070a, 1070a-11, 1070d-33, 1075, 1077a, 1078, 1078-1, and 1085 of this title].

“(3) EFFECTIVE 30 DAYS AFTER ENACTMENT.—The amendments made by the following subsections of section 2 of this Act shall be effective on and after 30 days after the date of enactment of this Act [Dec. 20, 1993]: (c)(19), (c)(20), (c)(21), (c)(59) [amending sections 1078 and 1085 of this title].

“(4) EFFECTIVE 60 DAYS AFTER ENACTMENT.—The amendments made by the following subsections of section 2 of this Act shall be effective on and after 60 days after the date of enactment of this Act [Dec. 20, 1993]: (c)(31) and (c)(53) [amending sections 1078-1 and 1083 of this title].

“(5) EFFECTIVE ON APRIL 1, 1994.—The amendments made by section 2(c)(43)(B) of this Act [amending section 1078-8 of this title] shall be effective on and after April 1, 1994.

“(6) EFFECTIVE ON JULY 1, 1994.—The amendments made by the following subsection[s] of section 2 of this Act shall be effective on and after July 1, 1994: (b)(25), (c)(2), (c)(13)(A), (c)(29) [amending sections 1070b-2, 1075, 1078, and 1078-1 of this title].

“(7) COHORT DEFAULT DATA EXAMINATIONS.—The amendment made by section 2(c)(60)(A) [amending section 1085 of this title] shall be effective on and after October 1, 1994.

“(8) COHORT DEFAULT RATE DETERMINATIONS.—The amendments made to subsection[s] (a)(3) and (m)(1)(B) of section 435 of this [the] Act [section 1085(a)(3) and (m)(1)(B) of this title] shall apply with respect to the determination (and appeals from determinations) of cohort default rates for fiscal year 1989 and any succeeding fiscal year.”

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-325 effective Oct. 1, 1992, see section 2 of Pub. L. 102-325, set out as a note under section 1001 of this title.

EFFECTIVE DATE

Pub. L. 99-498, title III, §301(b), Oct. 17, 1986, 100 Stat. 1308, provided that: “The amendment made by sub-

section (a) [enacting this subchapter] shall take effect July 1, 1987.”

PART A—STRENGTHENING INSTITUTIONS

§ 1057. Program purpose

(a) General authorization

The Secretary shall carry out a program, in accordance with this part, to improve the academic quality, institutional management, and fiscal stability of eligible institutions, in order to increase their self-sufficiency and strengthen their capacity to make a substantial contribution to the higher education resources of the Nation.

(b) Grants awarded; special consideration

(1) From the sums available for this part under section 1068h(a)(1) of this title, the Secretary may award grants to any eligible institution with an application approved under section 1068 of this title in order to assist such an institution to plan, develop, or implement activities that promise to strengthen the institution.

(2) Special consideration shall be given to any eligible institution—

(A) which has endowment funds (other than any endowment fund built under section 1065 of this title as in effect on September 30, 1986, and under part B) the market value of which, per full-time equivalent student, is less than the average current market value of the endowment funds, per full-time equivalent student (other than any endowment fund built under section 1065 of this title as in effect on September 30, 1986, and under part B) at similar institutions; or

(B) which has expenditures per full-time equivalent student for library materials which is less than the average of the expenditures for library materials per full-time equivalent student by other similarly situated institutions.

(3) Special consideration shall be given to applications which propose, pursuant to the institution's plan, to engage in—

- (A) faculty development;
- (B) funds and administrative management;
- (C) development and improvement of academic programs;
- (D) acquisition of equipment for use in strengthening funds management and academic programs;
- (E) joint use of facilities such as libraries and laboratories; and
- (F) student services, including services that will assist in the education of special populations.

(c) Authorized activities

Grants awarded under this section shall be used for 1 or more of the following activities:

- (1) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.
- (2) Construction, maintenance, renovation, and improvement in classrooms, libraries, laboratories, and other instructional facilities, including the integration of computer technology into institutional facilities to create smart buildings.

(3) Support of faculty exchanges, faculty development, and faculty fellowships to assist in attaining advanced degrees in the field of instruction of the faculty.

(4) Development and improvement of academic programs.

(5) Purchase of library books, periodicals, and other educational materials, including telecommunications program material.

(6) Tutoring, counseling, and student service programs designed to improve academic success, including innovative, customized, instruction courses designed to help retain students and move the students rapidly into core courses and through program completion, which may include remedial education and English language instruction.

(7) Education or counseling services designed to improve the financial literacy and economic literacy of students or the students' families.

(8) Funds management, administrative management, and acquisition of equipment for use in strengthening funds management.

(9) Joint use of facilities, such as laboratories and libraries.

(10) Establishing or improving a development office to strengthen or improve contributions from alumni and the private sector.

(11) Establishing or improving an endowment fund.

(12) Creating or improving facilities for Internet or other distance education technologies, including purchase or rental of telecommunications technology equipment or services.

(13) Other activities proposed in the application submitted pursuant to subsection (b) and section 1068 of this title that—

(A) contribute to carrying out the purposes of the program assisted under this part; and

(B) are approved by the Secretary as part of the review and acceptance of such application.

(d) Endowment fund

(1) In general

An eligible institution may use not more than 20 percent of the grant funds provided under this part to establish or increase an endowment fund at such institution.

(2) Matching requirement

In order to be eligible to use grant funds in accordance with paragraph (1), the eligible institution shall provide matching funds from non-Federal sources, in an amount equal to or greater than the Federal funds used in accordance with paragraph (1), for the establishment or increase of the endowment fund.

(3) Comparability

The provisions of part C, regarding the establishment or increase of an endowment fund, that the Secretary determines are not inconsistent with this subsection, shall apply to funds used under paragraph (1).

(Pub. L. 89-329, title III, §311, as added Pub. L. 99-498, title III, §301(a), Oct. 17, 1986, 100 Stat. 1291; amended Pub. L. 100-50, §2(a)(1), June 3,