

(b) Definition of eligible entity

In this section, the term “eligible entity” means—

- (1) a State higher education system; or
- (2) a consortium of State higher education systems, or a consortium of individual institutions of higher education, that is broadly representative of institutions in different sectors and geographic locations.

(c) Competitive grants**(1) Grants authorized**

The Secretary shall award grants, on a competitive basis, to not more than five eligible entities to enable the eligible entities to—

- (A) design, test, and implement systems of postsecondary student data that provide the maximum benefits to States, institutions of higher education, and State policymakers; and
- (B) examine the costs and burdens involved in implementing a State-level postsecondary student data system.

(2) Duration

A grant awarded under this section shall be for a period of not more than three years.

(d) Application requirements

An eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require, including a description of—

- (1) how the eligible entity will ensure that student privacy is protected and that individually identifiable information about students, the students’ achievements, and the students’ families remains confidential in accordance with section 1232g of this title (commonly known as the “Family Educational Rights and Privacy Act of 1974”); and
- (2) how the activities funded by the grant will be supported after the three-year grant period.

(e) Use of funds

A grant awarded under this section shall be used to—

- (1) design, develop, and implement the components of a comprehensive postsecondary student data system with the capacity to transmit student information within a State;
- (2) improve the capacity of institutions of higher education to analyze and use student data;
- (3) select and define common data elements, data quality, and other elements that will enable the data system to—
 - (A) serve the needs of institutions of higher education for institutional research and improvement;
 - (B) provide students and the students’ families with useful information for decision-making about postsecondary education; and
 - (C) provide State policymakers with improved information to monitor and guide efforts to improve student outcomes and success in higher education;
- (4) estimate costs and burdens at the institutional level for the reporting system for different types of institutions; and

(5) test the feasibility of protocols and standards for maintaining data privacy and data access.

(f) Evaluation; reports

Not later than six months after the end of the projects funded by grants awarded under this section, the Secretary shall—

- (1) conduct a comprehensive evaluation of the pilot program authorized by this section; and
- (2) report the Secretary’s findings, as well as recommendations regarding the implementation of State-level postsecondary student data systems, to the authorizing committees.

(g) Authorization of appropriations

There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

(Pub. L. 89-329, title I, §136, as added Pub. L. 110-315, title I, §115, Aug. 14, 2008, 122 Stat. 3111; amended Pub. L. 111-39, title I, §101(b)(4), July 1, 2009, 123 Stat. 1935.)

Editorial Notes**AMENDMENTS**

2009—Subsec. (d)(1). Pub. L. 111-39 substituted “(commonly known as the ‘Family Educational Rights and Privacy Act of 1974’)” for “(Family Educational Rights and Privacy Act of 1974)”.

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF 2009 AMENDMENT**

Amendment by Pub. L. 111-39 effective as if enacted on the date of enactment of Pub. L. 110-315 (Aug. 14, 2008), see section 3 of Pub. L. 111-39, set out as a note under section 1001 of this title.

§ 1015f. State commitment to affordable college education**(a) Maintenance of effort required**

A State shall provide—

- (1) for public institutions of higher education in such State for any academic year beginning on or after July 1, 2008, an amount which is equal to or greater than the average amount provided for non-capital and non-direct research and development expenses or costs by such State to such institutions of higher education during the five most recent preceding academic years for which satisfactory data are available; and
- (2) for private institutions of higher education in such State for any academic year beginning on or after July 1, 2008, an amount which is equal to or greater than the average amount provided for student financial aid for paying costs associated with postsecondary education by such State to such institutions during the five most recent preceding academic years for which satisfactory data are available.

(b) Adjustments for biennial appropriations

The Secretary shall take into consideration any adjustments to the calculations under subsection (a) that may be required to accurately reflect funding levels for postsecondary edu-

cation in States with biennial appropriation cycles.

(c) Waiver

The Secretary shall waive the requirements of subsection (a), if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen¹ decline in the financial resources of a State or State educational agency, as appropriate.

(d) Violation of maintenance of effort

Notwithstanding any other provision of law, the Secretary shall withhold from any State that violates subsection (a) and does not receive a waiver pursuant to subsection (c) any amount that would otherwise be available to the State under section 1141 of this title until such State has made significant efforts to correct such violation.

(Pub. L. 89-329, title I, §137, as added Pub. L. 110-315, title I, §116, Aug. 14, 2008, 122 Stat. 3113.)

Editorial Notes

PRIOR PROVISIONS

A prior section 1016, Pub. L. 89-329, title I, §121, as added Pub. L. 99-498, title I, §101, Oct. 17, 1986, 100 Stat. 1285, related to adult learning research, prior to the general amendment of this subchapter by Pub. L. 102-325.

Another prior section 1016, Pub. L. 89-329, title I, §116, as added Pub. L. 96-374, title I, §101(a), Oct. 3, 1980, 94 Stat. 1381, provided for Federal discretionary grants, prior to the general amendment of this subchapter by Pub. L. 99-498.

A prior section 1016a, Pub. L. 89-329, title I, §122, as added Pub. L. 99-498, title I, §101, Oct. 17, 1986, 100 Stat. 1286, limited funds authorized to be appropriated, prior to the general amendment of this subchapter by Pub. L. 102-325.

A prior section 1017, Pub. L. 89-329, title I, §131, as added Pub. L. 99-498, title I, §101, Oct. 17, 1986, 100 Stat. 1286; Pub. L. 102-54, §13(g)(1)(A), June 13, 1991, 105 Stat. 275, related to National Advisory Council on Continuing Education, prior to the general amendment of this subchapter by Pub. L. 102-325.

Another prior section 1017, Pub. L. 89-329, title I, §117, as added Pub. L. 96-374, title I, §101(a), Oct. 3, 1980, 94 Stat. 1382; amended Pub. L. 99-386, title I, §103(a), Aug. 22, 1986, 100 Stat. 821, related to establishment and administration of the National Advisory Council on Continuing Education, prior to the general amendment of this subchapter by Pub. L. 99-498.

PART D—ADMINISTRATIVE PROVISIONS FOR DELIVERY OF STUDENT FINANCIAL ASSISTANCE

§ 1018. Performance-Based Organization for delivery of Federal student financial assistance

(a) Establishment and purpose

(1) Establishment

There is established in the Department a Performance-Based Organization (hereafter referred to as the “PBO”) which shall be a discrete management unit responsible for managing the administrative and oversight functions supporting the programs authorized under subchapter IV of this chapter, as specified in subsection (b).

(2) Purposes

The purposes of the PBO are—

(A) to improve service to students and other participants in the student financial assistance programs authorized under subchapter IV, including making those programs more understandable to students and their parents;

(B) to reduce the costs of administering those programs;

(C) to increase the accountability of the officials responsible for administering the operational aspects of these programs;

(D) to provide greater flexibility in the management and administration of the Federal student financial assistance programs;

(E) to integrate the information systems supporting the Federal student financial assistance programs;

(F) to implement an open, common, integrated system for the delivery of student financial assistance under subchapter IV; and

(G) to develop and maintain a student financial assistance system that contains complete, accurate, and timely data to ensure program integrity.

(b) General authority

(1) Authority of Secretary

Notwithstanding any other provision of this part, the Secretary shall maintain responsibility for the development and promulgation of policy and regulations relating to the programs of student financial assistance under subchapter IV. In the exercise of its functions, the PBO shall be subject to the direction of the Secretary. The Secretary shall—

(A) request the advice of, and work in cooperation with, the Chief Operating Officer in developing regulations, policies, administrative guidance, or procedures affecting the Federal student financial assistance programs authorized under subchapter IV;

(B) request cost estimates from the Chief Operating Officer for system changes required by specific policies proposed by the Secretary; and

(C) assist the Chief Operating Officer in identifying goals for—

(i) the administration of the systems used to administer the Federal student financial assistance programs authorized under subchapter IV; and

(ii) the updating of such systems to current technology.

(2) PBO functions

Subject to paragraph (1), the PBO shall be responsible for the administration of Federal student financial assistance programs authorized under subchapter IV, excluding the development of policy relating to such programs but including the following:

(A) The administrative, accounting, and financial management functions for the Federal student financial assistance programs authorized under subchapter IV, including—

(i) the collection, processing, and transmission of data to students, institutions, lenders, State agencies, and other authorized parties;

¹ So in original. Probably should be “unforeseen”.