

117TH CONGRESS  
1ST SESSION

# S. 1396

To amend the Higher Education Act of 1965 to establish State and Indian Tribe grants for community colleges and grants for Historically Black Colleges and Universities, Tribal Colleges and Universities, and Minority-Serving Institutions, and for other purposes.

---

## IN THE SENATE OF THE UNITED STATES

APRIL 27, 2021

Ms. BALDWIN (for herself, Mrs. MURRAY, Mr. VAN HOLLEN, Ms. KLOBUCHAR, Mr. LEAHY, Ms. HIRONO, Mr. CARDIN, Ms. DUCKWORTH, Mrs. GILLIBRAND, and Mr. DURBIN) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

---

## A BILL

To amend the Higher Education Act of 1965 to establish State and Indian Tribe grants for community colleges and grants for Historically Black Colleges and Universities, Tribal Colleges and Universities, and Minority-Serving Institutions, and for other purposes.

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 “America’s College  
5 Promise Act of 2021”.

1 **TITLE I—STATE AND INDIAN**  
 2 **TRIBE GRANTS FOR COMMU-**  
 3 **NITY COLLEGES**

4 **SEC. 101. PROGRAM AUTHORIZED.**

5 Title IV of the Higher Education Act of 1965 (20  
 6 U.S.C. 1070 et seq.) is amended by adding at the end  
 7 the following:

8 **“PART J—AMERICA’S COLLEGE PROMISE**  
 9 **FEDERAL-STATE PARTNERSHIP**

10 **“Subpart 1—State and Indian Tribe Grants for**  
 11 **Community Colleges**

12 **“SEC. 499A. IN GENERAL.**

13 “From amounts appropriated under section 499G for  
 14 any fiscal year, the Secretary shall award grants to eligible  
 15 States and Indian tribes to pay the Federal share of ex-  
 16 penditures needed to carry out the activities and services  
 17 described in section 499E.

18 **“SEC. 499B. FEDERAL SHARE; NON-FEDERAL SHARE.**

19 “(a) FEDERAL SHARE.—

20 “(1) IN GENERAL.—Subject to paragraph (2),  
 21 the amount of the Federal share of a grant under  
 22 this subpart shall be based on a formula, determined  
 23 by the Secretary, that provides, for each eligible stu-  
 24 dent in the State or Indian tribe, a per-student  
 25 amount that is equal to 75 percent of—

1           “(A) for the 2022–2023 award year, the  
 2           average resident community college tuition and  
 3           fees per student in all States for the most re-  
 4           cent year for which data are available; and

5           “(B) for each subsequent award year, the  
 6           amount determined under this paragraph for  
 7           the preceding award year, increased by the less-  
 8           er of—

9                   “(i) a percentage equal to the esti-  
 10                  mated percentage increase in the Con-  
 11                  sumer Price Index (as determined by the  
 12                  Secretary) since the date of such deter-  
 13                  mination; or

14                  “(ii) 3 percent.

15           “(2) INDIAN TRIBES.—The amount of the Fed-  
 16           eral share for an Indian tribe receiving a grant  
 17           under this subpart shall be the lesser of—

18                   “(A) the amount determined in accordance  
 19                  with paragraph (1) with respect to such tribe;  
 20                  or

21                   “(B) the amount that is 95 percent of the  
 22                  total amount needed to waive tuition and fees  
 23                  for all eligible students enrolled in the commu-  
 24                  nity colleges operated or controlled by such  
 25                  tribe.

1 “(b) STATE OR TRIBAL SHARE.—

2 “(1) FORMULA.—

3 “(A) IN GENERAL.—Subject to subpara-  
 4 graph (B), the State or tribal share of a grant  
 5 under this subpart for each fiscal year shall be  
 6 the amount needed to pay 25 percent of the av-  
 7 erage resident community college tuition and  
 8 fees per student in the 2022–2023 award year  
 9 for all eligible students in the State or tribe for  
 10 such fiscal year.

11 “(B) INDIAN TRIBES.—The tribal share of  
 12 a grant awarded to an Indian tribe under this  
 13 subpart for each fiscal year shall be the lesser  
 14 of—

15 “(i) the amount determined in accord-  
 16 ance with subparagraph (A) with respect  
 17 to such tribe; or

18 “(ii) 5 percent of the total amount  
 19 needed to waive tuition and fees for all eli-  
 20 gible students enrolled in the community  
 21 colleges operated or controlled by such  
 22 tribe.

23 “(2) NEED-BASED AID.—A State or Indian  
 24 tribe may include, as part of the State or tribal  
 25 share, any need-based financial aid that—

1           “(A) is provided from State or tribal funds  
2           to an eligible student; and

3           “(B) may be used by such student to pay  
4           costs of attendance other than tuition and fees.

5           “(3) NO IN-KIND CONTRIBUTIONS.—A State or  
6           Indian tribe shall not include in-kind contributions  
7           for purposes of the State or tribal share described  
8           in paragraph (1).

9           “(c) DETERMINING NUMBER OF ELIGIBLE STU-  
10          DENTS.—

11           “(1) IN GENERAL.—For purposes of subsection  
12          (a) and subsection (b), the Secretary shall develop  
13          and implement a formula for accurately estimating  
14          the number of eligible students in a State or Indian  
15          tribe and for making adjustments based on the num-  
16          ber of eligible students enrolled on less than a full-  
17          time basis and the associated tuition and fees  
18          charged to such students in proportion to the degree  
19          to which each such student is not attending on a  
20          full-time basis.

21           “(2) INITIAL DETERMINATION.—For the first  
22          year for which grants are awarded under this sub-  
23          part, the number of eligible students in a State or  
24          Indian tribe shall be considered to be equal to the

1        number of eligible students who were in the State or  
 2        tribe for the preceding school year.

3        “(d) ADJUSTMENT OF GRANT AMOUNT.—Not later  
 4 than 180 days after the date on which a State or Indian  
 5 tribe receives a grant under this subpart, the Secretary  
 6 shall—

7            “(1) in consultation with the State or tribe con-  
 8 cerned, determine whether the actual number of eli-  
 9 gible students in the State or tribe for the year cov-  
 10 ered by the grant is greater than the estimated num-  
 11 ber of such students that was used to determine the  
 12 amount of the grant; and

13            “(2) in the case of a determination under para-  
 14 graph (1) that the actual number of eligible students  
 15 in the State or tribe is higher than such estimate,  
 16 issue a supplementary grant payment to the State or  
 17 tribe in an amount that ensures that the total  
 18 amount of the grant funds received by the State or  
 19 tribe under this subpart for the year covered by the  
 20 grant accurately reflects the higher number of eligi-  
 21 ble students.

22 **“SEC. 499C. APPLICATIONS.**

23        “(a) SUBMISSION.—In order to receive a grant under  
 24 this subpart, a State or Indian tribe shall submit an appli-

1 cation to the Secretary at such time, in such manner, and  
 2 containing such information as the Secretary may require.

3 “(b) CONTENTS.—Each application under subsection  
 4 (a) shall include—

5 “(1) an estimate of the number of eligible stu-  
 6 dents in the State or Indian tribe and the cost of  
 7 waiving community college tuition and fees for all el-  
 8 igible students for each fiscal year covered by the  
 9 grant;

10 “(2) an assurance that each community college  
 11 in the State, or operated or controlled by the Indian  
 12 tribe, as applicable, will waive tuition and fees for el-  
 13 igible students in accordance with section 499D(a);

14 “(3) a description of the promising and evi-  
 15 dence-based institutional reforms and innovative  
 16 practices to improve student outcomes, including  
 17 transfer and completion rates, that have been or will  
 18 be adopted by each such community college, such  
 19 as—

20 “(A) providing comprehensive academic,  
 21 career, and student support services (including  
 22 mentoring, advising, case management services,  
 23 and career pathway navigation), especially for  
 24 low-income, first-generation, and adult stu-  
 25 dents, and other students belonging to racial

1 and other groups that are historically underrep-  
2 resented in higher education;

3 “(B) providing direct support services, or  
4 assistance in applying for such services, such  
5 as—

6 “(i) childcare, transportation, and  
7 emergency financial assistance;

8 “(ii) assistance in obtaining health in-  
9 surance coverage and accessing health care  
10 services, including behavioral and mental  
11 health services;

12 “(iii) affordable housing;

13 “(iv) nutrition assistance programs or  
14 free or discounted food; and

15 “(v) means-tested Federal benefit pro-  
16 grams, or similar State, tribal, or local  
17 benefit programs;

18 “(C) providing accelerated learning oppor-  
19 tunities, such as dual or concurrent enrollment  
20 programs, including early college high school  
21 programs, and reforming course scheduling and  
22 credit awarding policies to better meet the  
23 needs of students and shorten time to comple-  
24 tion;



1           “(D) strengthening and reforming remedial  
2           and developmental education, especially for low-  
3           income, first-generation, and adult students,  
4           and other students belonging to racial and  
5           other groups that are historically underrep-  
6           resented in higher education, including through  
7           the use of multiple measures (such as a stu-  
8           dent’s college entrance examination score, grade  
9           point average, high school course list, or a  
10          placement examination) to identify students in  
11          need of remedial education;

12          “(E) utilizing career pathways, including  
13          through building capacity for career and tech-  
14          nical education, as defined in section 3(5) of  
15          the Carl D. Perkins Career and Technical Edu-  
16          cation Act of 2006 (20 U.S.C. 2302(5)), and  
17          programs of study, as defined in section 3(41)  
18          of such Act (20 U.S.C. 2302(41)), or degree  
19          pathways; or

20          “(F) providing expanded opportunities for  
21          participating in work-based learning, which may  
22          include apprenticeship programs, in students’  
23          programs of study;

24          “(4) a description of how the State or Indian  
25          tribe will ensure that programs leading to a recog-

1 nized postsecondary credential meet the quality cri-  
2 teria established by the State under section 123(a)  
3 of the Workforce Innovation and Opportunity Act  
4 (29 U.S.C. 3153(a)) or other quality criteria deter-  
5 mined appropriate by the State or Indian tribe;

6 “(5) an assurance that each community college  
7 in the State or under the authority of the Indian  
8 tribe have entered into program participation agree-  
9 ments under section 487;

10 “(6) an assurance that the State or Indian tribe  
11 will, to the maximum extent practicable, assist eligi-  
12 ble students in obtaining information about and ac-  
13 cessing means-tested Federal benefit programs and  
14 similar, State, tribal, and local benefit programs for  
15 which such students may be eligible;

16 “(7) an assurance that, for each year of the  
17 grant, the State or Indian tribe will notify each eligi-  
18 ble student of the student’s remaining eligibility for  
19 assistance under this subpart;

20 “(8) if the application is submitted by a  
21 State—

22 “(A) a description of how the State will  
23 support the scaling and increased adoption of  
24 the reforms and practices described in para-  
25 graph (3);

1           “(B) an assurance that the State will, to  
2           the extent practicable, consider changes to  
3           State law that will enable more community col-  
4           lege students to be eligible for means-tested  
5           Federal benefit programs and similar State  
6           benefit programs;

7           “(C) an assurance that the State will meet  
8           the requirements of section 499D(b)(1) relating  
9           to the alignment of secondary and postsec-  
10          ondary education; and

11          “(D) an assurance that the State will meet  
12          the requirements of section 499D(b)(2) relating  
13          to the improvement of transfer pathways be-  
14          tween institutions of higher education; and

15          “(9) an assurance that the State or Indian tribe  
16          will clearly communicate to prospective students,  
17          their families, and the general public—

18                 “(A) plans to implement the program  
19                 funded under this subpart; and

20                 “(B) how eligible students can attend a  
21                 community college operated by the State or  
22                 tribe without paying the cost of tuition and  
23                 fees.

1 **“SEC. 499D. PROGRAM REQUIREMENTS.**

2 “(a) GENERAL REQUIREMENTS FOR STATES AND IN-  
 3 DIAN TRIBES.—As a condition of receiving a grant under  
 4 this subpart, a State or Indian tribe shall meet the fol-  
 5 lowing requirements:

6 “(1) For each year of the grant the total  
 7 amount of community college tuition and fees  
 8 charged to an eligible student in the State or Indian  
 9 tribe shall be \$0.

10 “(2) For each year of the grant no amount of  
 11 financial assistance for which an eligible student  
 12 qualifies may be applied to such tuition or fees.

13 “(b) STATE REQUIREMENTS.—As a condition of re-  
 14 ceiving a grant under this subpart, a State shall meet the  
 15 following requirements:

16 “(1) ALIGNMENT OF K–12 AND HIGHER EDU-  
 17 CATION.—

18 “(A) IN GENERAL.—The State shall—

19 “(i) submit a plan to align the re-  
 20 quirements for receiving a regular high  
 21 school diploma from public schools in the  
 22 State with the requirements for entering  
 23 credit-bearing coursework at community  
 24 colleges in such State; and

25 “(ii) not later than 3 years after the  
 26 date on which the State first receives a

1 grant under this subpart, certify to the  
 2 Secretary that such alignment has been  
 3 achieved.

4 “(B) FAILURE TO CERTIFY.—If a State  
 5 does not provide the certification required  
 6 under subparagraph (A) by the date specified in  
 7 such subparagraph, the State shall submit to  
 8 the Secretary, at such time and in such manner  
 9 as the Secretary may require—

10 “(i) a written explanation for the  
 11 delay in making the certification; and

12 “(ii) a plan that will enable the State  
 13 to make the certification by not later than  
 14 5 years after the date on which the State  
 15 first received a grant under this subpart.

16 “(2) TRANSFER PATHWAYS.—

17 “(A) IN GENERAL.—The State shall—

18 “(i) submit a plan, developed in col-  
 19 laboration with faculty from institutions of  
 20 higher education in the State, to improve  
 21 transfer pathways between institutions of  
 22 higher education in the State, including  
 23 by—

24 “(I) ensuring that associate de-  
 25 grees awarded by community colleges

1 in the State are fully transferable to,  
2 and credited as, the first 2 years of  
3 related baccalaureate programs at  
4 public institutions of higher education  
5 in such State; and

6 “(II) ensuring that students at-  
7 tending community colleges in the  
8 State have access to comprehensive  
9 counseling regarding the process for  
10 transferring to a 4-year institution of  
11 higher education; and

12 “(ii) not later than 3 years after the  
13 date on which the State first receives a  
14 grant under this subpart, certify to the  
15 Secretary that the State is carrying out  
16 the plan submitted in accordance with  
17 clause (i) and is meeting the requirements  
18 of subclauses (I) and (II) of such clause.

19 “(B) FAILURE TO CERTIFY.—If a State  
20 does not provide the certification required  
21 under subparagraph (A) by the date specified in  
22 such subparagraph, the State shall submit to  
23 the Secretary, at such time and in such manner  
24 as the Secretary may require—

1 “(i) a written explanation for the  
2 delay in making the certification; and

3 “(ii) a plan that will enable the State  
4 to make the certification by not later than  
5 5 years after the date on which the State  
6 first received a grant under this subpart.

7 “(3) APPLICABILITY.—The Secretary may not  
8 apply the requirements under this subsection to an  
9 Indian tribe.

10 “(c) NO ADDITIONAL ELIGIBILITY REQUIRE-  
11 MENTS.—A State or Indian tribe that receives a grant  
12 under this subpart may not impose additional eligibility  
13 requirements on eligible students other than the require-  
14 ments under this subpart.

15 **“SEC. 499E. ALLOWABLE USES OF FUNDS.**

16 “(a) IN GENERAL.—Except as provided in subsection  
17 (b), a State or Indian tribe shall use a grant under this  
18 subpart only to provide funds to each community college  
19 in the State, or operated or controlled by such tribe, as  
20 applicable, to enable each such community college to waive  
21 tuition and fees for eligible students as required under sec-  
22 tion 499D(a).

23 “(b) ADDITIONAL USES.—If a State or Indian tribe  
24 demonstrates to the Secretary that the State or Indian  
25 tribe has grant funds remaining after meeting the demand

1 for activities described in subsection (a), the State or In-  
2 dian tribe may use those funds to carry out 1 or more  
3 of the following:

4 “(1) Enhancing the quality and equity of public  
5 higher education to improve student outcomes, in-  
6 cluding transfer and completion rates and labor  
7 market outcomes.

8 “(2) Investing in and diversifying the academic  
9 workforce.

10 “(3) Expanding the scope and capacity of high-  
11 quality academic and occupational skills training  
12 programs at community colleges, which may include  
13 collaboration with one or more industry or sector  
14 partnerships (as defined in section 3 of the Work-  
15 force Innovation and Opportunity Act (29 U.S.C.  
16 3201)).

17 “(4) Improving postsecondary education readi-  
18 ness in the State or Indian tribe, including through  
19 outreach and early intervention.

20 “(5) Expanding access to dual or concurrent  
21 enrollment programs, such as early college high  
22 school programs.

23 “(6) Reducing unmet need at public 4-year in-  
24 stitutions of higher education.



1       “(c) USE OF FUNDS FOR ADMINISTRATIVE PUR-  
2 POSES.—A State or Indian tribe that receives a grant  
3 under this subpart may not use any funds provided under  
4 this subpart for administrative purposes relating to such  
5 grant.

6       “(d) MAINTENANCE OF EFFORT.—A State or Indian  
7 tribe receiving a grant under this subpart shall be entitled  
8 to receive its full allotment of funds under this subpart  
9 for a fiscal year only if, for each year of the grant, the  
10 State or Indian tribe provides—

11           “(1) State fiscal support for higher education  
12 per FTE student at a level equal to or exceeding the  
13 average amount of State fiscal support for higher  
14 education per FTE student provided for the 3 con-  
15 secutive preceding fiscal years;

16           “(2) financial support for operational expenses  
17 (excluding capital expenses and research and devel-  
18 opment costs) for public 4-year institutions of higher  
19 education at a level equal to or exceeding the aver-  
20 age amount provided for the 3 consecutive preceding  
21 State or Indian tribe fiscal years; and

22           “(3) financial support for need-based financial  
23 aid at a level equal to or exceeding the average  
24 amount provided for the 3 consecutive preceding  
25 State or Indian tribe fiscal years.

1       “(e) SUPPLEMENT, NOT SUPPLANT.—Funds made  
 2 available under this subpart shall be used to supplement,  
 3 and not supplant, other Federal, State, tribal, and local  
 4 funds that would otherwise be expended to carry out ac-  
 5 tivities described in this section.

6       “(f) REPORT REQUIREMENTS.—

7               “(1) REPORTING BY STATES AND INDIAN  
 8 TRIBES.—A State or Indian tribe receiving a grant  
 9 under this subpart shall submit to the Secretary an  
 10 annual report that shall include—

11                       “(A) the uses of grant funds under this  
 12 subpart;

13                       “(B) the progress made in fulfilling the re-  
 14 quirements of the grant;

15                       “(C) the rates of transfer, graduation, and  
 16 attainment of recognized postsecondary creden-  
 17 tials at participating community colleges, disag-  
 18 gregated by race, income, and age; and

19                       “(D) any other information that the Sec-  
 20 retary may require.

21       “(2) REPORTING BY SECRETARY.—The Sec-  
 22 retary shall, on an annual basis—

23                       “(A) compile and analyze the information  
 24 described in paragraph (1); and

1                   “(B) prepare and submit to the author-  
2                   izing committees a report containing—

3                   “(i) the analysis described in subpara-  
4                   graph (A); and

5                   “(ii) an identification of State and In-  
6                   dian tribe best practices for achieving the  
7                   purpose of this subpart.

8           “(g) TECHNICAL ASSISTANCE.—The Secretary shall  
9   provide technical assistance to eligible States and Indian  
10  tribes concerning best practices regarding the promising  
11  and evidence-based institutional reforms and innovative  
12  practices to improve student outcomes and shall dissemi-  
13  nate such best practices among the States and Indian  
14  tribes.

15       “(h) CONTINUATION OF FUNDING.—

16               “(1) IN GENERAL.—Except as provided in para-  
17       graph (2), a State or Indian tribe receiving a grant  
18       under this subpart for a fiscal year may continue to  
19       receive funding under this subpart for future fiscal  
20       years conditioned on the availability of budget au-  
21       thority and on meeting the requirements of the  
22       grant, as determined by the Secretary.

23               “(2) DISCONTINUATION.—The Secretary may  
24       discontinue funding of the Federal share of a grant  
25       under this subpart if the State or Indian tribe has

1       violated the terms of the grant or is not making ade-  
 2       quate progress in implementing the reforms de-  
 3       scribed in the application submitted under section  
 4       499C.

5       **“SEC. 499F. AUTOMATIC STABILIZERS FOR AMERICA’S COL-**  
 6                               **LEGE PROMISE.**

7       “(a) MAINTENANCE OF EFFORT RELIEF.—Notwith-  
 8       standing subsection (d) of section 499E, a State that  
 9       meets the qualifying spending requirements may request  
 10      a waiver of the requirements under such subsection (d).  
 11      The Secretary shall waive the requirements of such sub-  
 12      section (d) for a State that makes a qualifying request  
 13      under this subsection as follows:

14               “(1) TIER I.—With respect to each State eligi-  
 15      ble for relief under tier I, such requirements shall be  
 16      waived for the fiscal year succeeding the fiscal year  
 17      in which the determination of the State’s eligibility  
 18      for such relief is made.

19               “(2) TIERS II THROUGH V.—With respect to  
 20      each State eligible for relief under tier II, III, IV,  
 21      or V, such requirements shall be waived, in accord-  
 22      ance with subsection (d), for—

23                       “(A) the fiscal year in which the deter-  
 24                      mination of the State’s eligibility for such relief  
 25                      is made;

1           “(B) the fiscal year succeeding the fiscal  
2           year described in subparagraph (A); or

3           “(C) both such fiscal years.

4           “(b) MATCH RELIEF.—

5           “(1) STATE MATCH RELIEF.—Notwithstanding  
6           subsection (b) of section 499B, a State that is eligi-  
7           ble for relief under tier II, III, IV, or V may request  
8           relief with respect to the requirements of such sub-  
9           section (b). The Secretary shall provide relief from  
10          the requirements of such subsection (b), for the ap-  
11          plicable fiscal year or years, for a State that makes  
12          a qualifying request under this paragraph as follows:

13           “(A) TIER II.—With respect to a State  
14           that is eligible for relief under tier II, the Sec-  
15           retary shall—

16           “(i) apply section 499B(a)(1) by sub-  
17           stituting ‘80 percent’ for ‘75 percent’; and

18           “(ii) apply section 499B(b)(1)(A) by  
19           substituting ‘20 percent’ for ‘25 percent’.

20           “(B) TIER III.—With respect to a State  
21           that is eligible for relief under tier III, the Sec-  
22           retary shall—

23           “(i) apply section 499B(a)(1) by sub-  
24           stituting ‘85 percent’ for ‘75 percent’; and

1 “(ii) apply section 499B(b)(1)(A) by  
 2 substituting ‘15 percent’ for ‘25 percent’.

3 “(C) TIER IV.—With respect to a State  
 4 that is eligible for relief under tier IV, the Sec-  
 5 retary shall—

6 “(i) apply section 499B(a)(1) by sub-  
 7 stituting ‘90 percent’ for ‘75 percent’; and

8 “(ii) apply section 499B(b)(1)(A) by  
 9 substituting ‘10 percent’ for ‘25 percent’.

10 “(D) TIER V.—With respect to a State  
 11 that is eligible for relief under tier V, the Sec-  
 12 retary shall—

13 “(i) apply section 499B(a)(1) by sub-  
 14 stituting ‘95 percent’ for ‘75 percent’; and

15 “(ii) apply section 499B(b)(1)(A), by  
 16 substituting ‘5 percent’ for ‘25 percent’.

17 “(2) APPLICABLE FISCAL YEARS.—With respect  
 18 to each State eligible for relief under tier II, III, IV,  
 19 or V, the Secretary shall provide the relief under  
 20 paragraph (1), in accordance with subsection (d),  
 21 for—

22 “(A) the fiscal year in which the deter-  
 23 mination of the State’s eligibility for such relief  
 24 is made;

1                   “(B) the fiscal year succeeding the fiscal  
2                   year described in subparagraph (A); or

3                   “(C) both such fiscal years.

4           “(c) STATE ELIGIBILITY.—A State’s eligibility for re-  
5   lief under this section shall be determined as follows:

6                   “(1) TIER I.—A State shall be eligible for relief  
7                   under tier I for a fiscal year in which—

8                           “(A)(i) the State was in an elevated unem-  
9                           ployment period at any point in the fiscal year;  
10                           or

11                           “(ii) the Nation as a whole was in an ele-  
12                           vated unemployment period at any point in the  
13                           fiscal year; and

14                           “(B) the State is not eligible for relief  
15                           under any other tier.

16                   “(2) TIER II.—A State shall be eligible for re-  
17                   lief under tier II for a fiscal year in which—

18                           “(A)(i) the State average unemployment  
19                           rate was equal to or greater than 6.5 percent  
20                           but less than 7.5 percent at any point in the  
21                           fiscal year; or

22                           “(ii) the national average unemployment  
23                           rate is equal to or greater than 6.5 percent but  
24                           less than 7.5 percent at any point in the fiscal  
25                           year; and

1           “(B) the State is not eligible for relief  
2           under tier III, IV, or V.

3           “(3) TIER III.—A State shall be eligible for re-  
4           lief under tier III for a fiscal year in which—

5           “(A)(i) the State average unemployment  
6           rate was equal to or greater than 7.5 percent  
7           but less than 8.5 percent at any point in the  
8           fiscal year; or

9           “(ii) the national average unemployment  
10          rate is equal to or greater than 7.5 percent but  
11          less than 8.5 percent at any point in the fiscal  
12          year; and

13          “(B) the State is not eligible for relief  
14          under tier IV or V.

15          “(4) TIER IV.—A State shall be eligible for re-  
16          lief under tier IV for a fiscal year in which—

17          “(A)(i) the State average unemployment  
18          rate was equal to or greater than 8.5 percent  
19          but less than 9.5 percent at any point in the  
20          fiscal year; or

21          “(ii) the national average unemployment  
22          rate is equal to or greater than 8.5 percent but  
23          less than 9.5 percent at any point in the fiscal  
24          year; and



1           “(B) the State is not eligible for relief  
2           under tier V.

3           “(5) TIER V.—A State shall be eligible for relief  
4           under tier V for a fiscal year in which—

5           “(A) the State average unemployment rate  
6           was equal to or greater than 9.5 percent at any  
7           point in the fiscal year; or

8           “(B) the national average unemployment  
9           rate is equal to or greater than 9.5 percent at  
10          any point in the fiscal year.

11          “(d) DISCRETION IN THE PROVISION OF RELIEF.—  
12       In determining the fiscal years for which to provide relief  
13       in accordance with subsections (a)(2) and (b) to a State  
14       that is eligible under tier II, III, IV, or V, the Secretary  
15       shall take into account the following:

16          “(1) In the case of a State that requests relief  
17       under subsection (a)(2), the fiscal years for which  
18       the State requests such relief, including—

19          “(A) if the State requests such relief for  
20       the fiscal year for which the determination of  
21       the State’s eligibility for such relief is made, the  
22       amount by which the State is unable to meet  
23       the requirements of section 499E(d) for such  
24       fiscal year; and

1           “(B) if the State requests such relief for  
 2           the fiscal year succeeding the year described in  
 3           subparagraph (A), the amount by which the  
 4           State anticipates being unable to meet such re-  
 5           quirements for such succeeding fiscal year.

6           “(2) In the case of a State that requests relief  
 7           under subsection (b), the fiscal years for which the  
 8           State requests such relief, including—

9           “(A) if the State requests such relief for  
 10          the fiscal year for which the determination of  
 11          the State’s eligibility for such relief is made, the  
 12          extent to which the State is unable to meet the  
 13          requirements of section 499B(b) for such fiscal  
 14          year; and

15          “(B) if the State requests such relief for  
 16          the fiscal year succeeding the year described in  
 17          subparagraph (A), the extent to which the State  
 18          anticipates being unable to meet such require-  
 19          ments for such succeeding fiscal year.

20          “(3) The actual or anticipated timing, severity,  
 21          and duration of the unemployment rate increase  
 22          during—

23          “(A) the fiscal year for which the deter-  
 24          mination of the State’s eligibility for such relief  
 25          is made;

1 “(B) the fiscal year succeeding the fiscal  
2 year described in subparagraph (A); and

3 “(C) the fiscal year preceding the fiscal  
4 year described in subparagraph (A).

5 “(4) Other factors determined to be relevant by  
6 the Secretary.

7 “(e) INDIAN TRIBES.—

8 “(1) IN GENERAL.—For purposes of deter-  
9 mining the eligibility of an Indian tribe to receive re-  
10 lief under this section—

11 “(A) an Indian tribe that operates or con-  
12 trols a community college in a State that is eli-  
13 gible for relief under any tier shall be treated  
14 as a State for purposes of receiving relief under  
15 such tier, except as otherwise provided in para-  
16 graph (2); and

17 “(B) in the case of an Indian tribe that  
18 operates or controls a community college in at  
19 least 2 different States each of which is eligible  
20 for relief under different tiers, the Indian tribe  
21 shall receive relief under the tier offering the  
22 greatest level of relief.

23 “(2) INDIAN TRIBE MATCH RELIEF.—Notwith-  
24 standing subsection (b) of section 499B, an Indian  
25 tribe that is eligible for relief under tier II, III, IV,

1 or V may request relief with respect to the require-  
 2 ments of such subsection (b). The Secretary shall  
 3 provide relief from the requirements of section  
 4 499B(b), for the applicable fiscal year or years, for  
 5 an Indian tribe that makes a qualifying request  
 6 under this paragraph, by—

7 “(A) with respect to applying section  
 8 499B(a)(1), providing the appropriate relief de-  
 9 scribed in subsection (b)(1) of this section;

10 “(B) applying section 499B(a)(2)(B) by  
 11 substituting ‘100 percent’ for ‘95 percent’; and

12 “(C) applying section 499B(b)(1)(B)(ii),  
 13 by substituting ‘0 percent’ for ‘5 percent’.

14 “(f) DEFINITIONS.—In this section:

15 “(1) ELEVATED UNEMPLOYMENT PERIOD.—

16 The term ‘elevated unemployment period’—

17 “(A) when used with respect to the Nation  
 18 as a whole, means a consecutive, 3-month pe-  
 19 riod in a fiscal year in which the national aver-  
 20 age unemployment rate is not less than 0.5 per-  
 21 centage points above the lowest national aver-  
 22 age unemployment rate for the 12-month period  
 23 preceding such 3-month period; and

24 “(B) when used with respect to a State,  
 25 means a consecutive, 3-month period in a fiscal

1           year in which the State average unemployment  
2           rate is not less than 0.5 percentage points  
3           above the lowest State average unemployment  
4           rate for the 12-month period preceding such 3-  
5           month period.

6           “(2) QUALIFYING SPENDING REQUIREMENTS.—  
7           The term ‘qualifying spending requirements’ means  
8           the requirements that a State not disproportionately  
9           decrease spending for any of the categories described  
10          in subparagraphs (A) through (C) of section  
11          499E(d)(1) relative to such State’s overall, average  
12          decrease in spending for the 3 consecutive preceding  
13          fiscal years.

14          “(3) NATIONAL AVERAGE UNEMPLOYMENT  
15          RATE.—The term ‘national average unemployment  
16          rate’ means the average (seasonally adjusted) rate of  
17          total unemployment in all States for a consecutive,  
18          3-month period in a fiscal year, based on data from  
19          the Bureau of Labor Statistics of the Department of  
20          Labor.

21          “(4) STATE AVERAGE UNEMPLOYMENT RATE.—  
22          The term ‘State average unemployment rate’ means  
23          the average (seasonally adjusted) rate of total unem-  
24          ployment in a State for a consecutive, 3-month pe-

1        riod in a fiscal year, based on data from the Bureau  
 2        of Labor Statistics of the Department of Labor.

3        **“SEC. 499G. APPROPRIATIONS.**

4        “There are authorized to be appropriated, and there  
 5        are appropriated to carry out this subpart (in addition to  
 6        any other amounts appropriated to carry out this subpart  
 7        and out of any money in the Treasury not otherwise ap-  
 8        propriated), such sums as may be necessary for fiscal year  
 9        2022 and each succeeding fiscal year.

10       **“SEC. 499H. DEFINITIONS.**

11       “In this subpart:

12                “(1) APPRENTICESHIP.—The term ‘apprentice-  
 13        ship’ means an apprenticeship program registered  
 14        under the Act of August 16, 1937 (commonly known  
 15        as the ‘National Apprenticeship Act’; 50 Stat. 664,  
 16        chapter 663; 29 U.S.C. 50 et seq.).

17                “(2) CAREER PATHWAY.—The term ‘career  
 18        pathway’ has the meaning given the term in section  
 19        3 of the Workforce Innovation and Opportunity Act  
 20        (29 U.S.C. 3102).

21                “(3) COMMUNITY COLLEGE.—The term ‘com-  
 22        munity college’ means a public institution of higher  
 23        education at which the highest degree that is pre-  
 24        dominantly awarded to students is an associate’s de-  
 25        gree, including 2-year Tribal Colleges or Universities

1 under section 316 and public 2-year institutions of  
2 higher education operated by a State.

3 “(4) DUAL OR CONCURRENT ENROLLMENT  
4 PROGRAM.—The term ‘dual or concurrent enrollment  
5 program’ has the meaning given the term in section  
6 8101 of the Elementary and Secondary Education  
7 Act of 1965.

8 “(5) EARLY COLLEGE HIGH SCHOOL.—The  
9 term ‘early college high school’ has the meaning  
10 given the term in section 8101 of the Elementary  
11 and Secondary Education Act of 1965.

12 “(6) ELIGIBLE STUDENT.—The term ‘eligible  
13 student’ means a student who—

14 “(A) is enrolled in an eligible program (as  
15 defined in section 481(b)) at a community col-  
16 lege on not less than a half-time basis;

17 “(B) either—

18 “(i) qualifies for in-State resident  
19 community college tuition, as determined  
20 by the State or Indian tribe; or

21 “(ii) would qualify for such in-State  
22 resident community college tuition, but for  
23 the immigration status of such student;  
24 and

1           “(C) has not been enrolled (whether full-  
 2           time or less than full-time) for more than 6 se-  
 3           mesters (or the equivalent) for which the stu-  
 4           dent received a waiver of community college tui-  
 5           tion and fees under section 499D(a).

6           “(7) INDIAN TRIBE.—The term ‘Indian tribe’  
 7           has the meaning given the term in section 102 of the  
 8           Federally Recognized Indian Tribe List Act of 1994  
 9           (25 U.S.C. 5130).

10          “(8) INSTITUTION OF HIGHER EDUCATION.—  
 11          The term ‘institution of higher education’ has the  
 12          meaning given the term in section 101.

13          “(9) MEANS-TESTED FEDERAL BENEFIT PRO-  
 14          GRAM.—The term ‘means-tested Federal benefit pro-  
 15          gram’ has the meaning given the term in section  
 16          479.

17          “(10) RECOGNIZED POSTSECONDARY CREDEN-  
 18          TIAL.—The term ‘recognized postsecondary creden-  
 19          tial’ has the meaning as described in section 3 of the  
 20          Workforce Innovation and Opportunity Act (29  
 21          U.S.C. 3102).

22          “(11) STATE FISCAL SUPPORT FOR HIGHER  
 23          EDUCATION.—

24                 “(A) IN GENERAL.—Except as provided in  
 25                 subparagraph (B), the term ‘State fiscal sup-



port for higher education’, used with respect to a State for a fiscal year, means an amount that is equal to the gross amount of applicable State funds appropriated or dedicated, and expended by the State, including funds from lottery receipts, in the fiscal year, that are used to support institutions of higher education and student financial aid for higher education in the State.

“(B) EXCLUSIONS.—State fiscal support for higher education for a State for a fiscal year shall not include—

“(i) funds described in subparagraph (A) that are returned to the State;

“(ii) State-appropriated funds derived from Federal sources, including funds provided under section 499B(b) and section 499J(b);

“(iii) amounts that are portions of multiyear appropriations to be distributed over multiple years that are not to be spent for the year for which the calculation under this paragraph is being made, subject to subparagraph (D);

1           “(iv) tuition, fees, or other edu-  
2           cational charges paid directly by a student  
3           to a public institution of higher education  
4           or to the State;

5           “(v) funds for—

6                 “(I) financial aid programs pro-  
7                 vided to out-of-State institutions of  
8                 higher education, including aid to stu-  
9                 dents enrolled in such institutions;

10                “(II) merit-based financial aid to  
11                students awarded on the basis of pre-  
12                dicted or actual academic perform-  
13                ance;

14                “(III) financial aid for students  
15                attending, or annual operating ex-  
16                penses of, proprietary institutions of  
17                higher education (as defined in section  
18                102(b));

19                “(IV) financial aid for students  
20                attending, or annual operating ex-  
21                penses of, unaccredited institutions;

22                “(V) research and development;

23                “(VI) hospitals, athletics, or  
24                other auxiliary enterprises; or

1 “(VII) corporate or other private  
 2 donations directed to 1 or more insti-  
 3 tutions of higher education permitted  
 4 to be expended by the State; or

5 “(vi) any other funds that the Sec-  
 6 retary determines shall not be included in  
 7 the calculation of State fiscal support for  
 8 higher education for such State.

9 “(C) ADJUSTMENTS FOR BIENNIAL APPRO-  
 10 PRIATIONS.—The Secretary shall take into con-  
 11 sideration any adjustments to the calculations  
 12 under this paragraph that may be required to  
 13 accurately reflect State fiscal support for higher  
 14 education in States with biennial appropriation  
 15 cycles.

16 “(D) INDIAN TRIBES.—In determining the  
 17 State fiscal support for higher education of an  
 18 Indian tribe for a fiscal year, the Indian tribe  
 19 shall be treated as a State except as otherwise  
 20 determined appropriate by the Secretary.

21 “(12) STATE FISCAL SUPPORT FOR HIGHER  
 22 EDUCATION PER FTE STUDENT.—The term ‘State  
 23 fiscal support for higher education per FTE stu-  
 24 dent’, used with respect to a State or Indian tribe  
 25 for a fiscal year, means, the quotient of—

1                   “(A) the State fiscal support for higher  
2                   education for the previous fiscal year; divided  
3                   by

4                   “(B) the number of full-time equivalent  
5                   students enrolled in public institutions of higher  
6                   education in such State or tribe for such pre-  
7                   vious fiscal year.”.

## 8                   **TITLE II—STUDENT SUCCESS** 9                   **FUND**

### 10   **SEC. 201. STUDENT SUCCESS FUND.**

11           Part J of title IV of the Higher Education Act of  
12   1965 (20 U.S.C. 1070 et seq.), as added by section 101,  
13   is further amended by adding at the end the following:

#### 14                   **“Subpart 2—Student Success Fund**

#### 15   **“SEC. 499I. IN GENERAL.**

16           “From amounts appropriated under section 499O for  
17   any fiscal year, the Secretary shall carry out a grant pro-  
18   gram (to be known as the ‘Student Success Fund’) to  
19   make grants to eligible entities to carry out the activities  
20   and services described in section 499L.

#### 21   **“SEC. 499J. FEDERAL SHARE AND MATCHING FUNDS.**

22           “(a) FEDERAL SHARE.—

23                   “(1) FORMULA REQUIREMENTS.—The Federal  
24           share of a grant under this subpart shall be based

1 on a formula, developed by the Secretary, that ac-  
 2 counts for—

3 “(A) the State or Indian tribe’s relative  
 4 share of eligible students, as determined in ac-  
 5 cordance with section 499B(c);

6 “(B) the State or Indian tribe’s relative  
 7 share of Federal Pell Grant recipients; and

8 “(C) the ratio between a State or Indian  
 9 tribe’s funding per full-time equivalent (FTE)  
 10 student at public institutions of higher edu-  
 11 cation and the average net price at public 4-  
 12 year institutions of higher education, in such a  
 13 way as to reward States and Indian tribes that  
 14 keep net prices for students low while maintain-  
 15 ing their fiscal support for higher education.

16 “(2) FORMULA PUBLISHED BEFORE APPLICA-  
 17 TION DEADLINE.—The Secretary shall—

18 “(A) develop the formula described in  
 19 paragraph (1);

20 “(B) calculate estimated allotments for  
 21 each eligible entity under such formula; and

22 “(C) publish such formula and estimated  
 23 allotments not later than the date of the notice  
 24 soliciting applications for participation in the  
 25 program under this subpart.

1       “(b) MATCHING FUNDS.—

2               “(1) IN GENERAL.—Except as provided in para-  
3       graph (2), an eligible entity participating in the pro-  
4       gram under this subpart shall provide, from non-  
5       Federal sources, in cash or in kind—

6               “(A) in each of the first, second, third, and  
7       fourth years of participation in the program, an  
8       amount equal to 25 percent of the amount such  
9       entity received under subsection (a) with re-  
10      spect to such year;

11              “(B) in each of the fifth and sixth years of  
12      participation in the program, an amount equal  
13      to 50 percent of the amount such entity re-  
14      ceived under subsection (a) with respect to such  
15      year;

16              “(C) in each of the seventh and eighth  
17      years of participation in the program, an  
18      amount equal to 75 percent of the amount such  
19      entity received under subsection (a) with re-  
20      spect to such year; and

21              “(D) in the ninth year and each subse-  
22      quent year thereafter of participation in the  
23      program, an amount equal to 100 percent of  
24      the amount such entity received under sub-  
25      section (a) with respect to such year.

1           “(2) EXCEPTION FOR INDIAN TRIBES.—The  
 2       Secretary may modify or waive the matching fund  
 3       requirements under paragraph (1) in the case of an  
 4       eligible entity that is an Indian tribe.

5           “(3) REALLOTMENT.—If an eligible entity re-  
 6       turns to the Secretary any portion of the grant  
 7       amount provided to such eligible entity under this  
 8       subpart for any fiscal year, or requests a grant  
 9       amount that is less than the Federal share deter-  
 10      mined for such entity in accordance with subsection  
 11      (a), the Secretary shall realLOT such excess amount  
 12      for the succeeding fiscal year, in addition to the  
 13      amounts appropriated under 4990 for such suc-  
 14      ceeding fiscal year.

15          “(c) SUPPLEMENT, NOT SUPPLANT.—Grant funds  
 16      awarded under this subpart shall be used to supplement,  
 17      and not supplant, other Federal, State, tribal, and local  
 18      funds that would otherwise be expended to carry out ac-  
 19      tivities assisted under this subpart.

20      **“SEC. 499K. APPLICATIONS.**

21          “(a) IN GENERAL.—To be eligible to participate in  
 22      the program under this subpart, an eligible entity shall  
 23      submit an application to the Secretary at such time, in  
 24      such manner, and containing such information as the Sec-  
 25      retary may require, including—

1 “(1) a plan that includes—

2 “(A) the amount of funds requested by the  
3 eligible entity under this subpart and the in-  
4 tended use of such funds;

5 “(B) how the eligible entity will use the re-  
6 quested funds to implement promising and evi-  
7 dence-based institutional reforms and innovative  
8 practices to improve student outcomes, includ-  
9 ing—

10 “(i) implementation of the reforms  
11 and practices identified by such entity  
12 under section 499C(b)(3); and

13 “(ii) annual implementation bench-  
14 marks that the entity will use to track  
15 progress in implementing such reforms and  
16 practices;

17 “(C) if the eligible entity is a State, how  
18 such eligible entity will support the scaling of  
19 evidence-based and innovative initiatives sys-  
20 tem-wide;

21 “(D) how the eligible entity will meet its  
22 matching fund requirements under section  
23 499J(b);

24 “(E) if the eligible entity is a State, how  
25 such eligible entity will prioritize spending on



1 the public institutions of higher education speci-  
 2 fied in paragraph (2)(B); and

3 “(F) the improvements the eligible entity  
 4 anticipates in student outcomes, including im-  
 5 provements in transfer rates or completion  
 6 rates, or both; and

7 “(2) if the eligible entity is a State, an analysis  
 8 that includes—

9 “(A) with respect to each public institution  
 10 of higher education of the eligible entity—

11 “(i) the total per-student funding;

12 “(ii) the amount of per-student fund-  
 13 ing from State-appropriated funds;

14 “(iii) the student demographics (in-  
 15 cluding data on race, income, disability  
 16 status, and remediation); and

17 “(iv) transfer and completion rates,  
 18 including such rates among low-income  
 19 students, students of color, students with  
 20 disabilities, and students in need of reme-  
 21 diation; and

22 “(B) whether, of the public institutions of  
 23 higher education of the eligible entity, the pub-  
 24 lic institutions of higher education that received  
 25 less funding on a per-student basis described in

1 clause (i) or (ii), or both, of subparagraph (A),  
 2 are serving disproportionately high shares of  
 3 low-income students, students of color, students  
 4 with disabilities, or students in need of remedi-  
 5 ation.

6 “(b) APPROVAL.—

7 “(1) IN GENERAL.—Not later than 180 days  
 8 after receiving a plan under subsection (a), the Sec-  
 9 retary shall—

10 “(A) approve the plan; or

11 “(B) require revisions to such plan.

12 “(2) REVISIONS REQUIRED.—An eligible entity  
 13 shall make such revisions as required by the Sec-  
 14 retary under paragraph (1)(B).

15 “(c) PUBLICATION.—The Secretary shall make each  
 16 plan approved under subsection (b)(1)(A) and each plan  
 17 revised under subsection (b)(2) available to the public on  
 18 the website of the Department.

19 **“SEC. 499L. PROGRAM REQUIREMENTS.**

20 “(a) GENERAL REQUIREMENTS.—

21 “(1) REPORT ON DEMONSTRATED PROGRESS.—

22 For the third year in which an eligible entity partici-  
 23 pates in the program under this subpart, and every  
 24 2 years thereafter, the eligible entity shall submit a  
 25 report to the Secretary, in such manner and con-

1       taining such information as the Secretary may re-  
2       quire, that includes—

3               “(A) the progress in meeting the annual  
4               implementation benchmarks included in the ap-  
5               plication of such eligible entity under section  
6               499K(a)(1)(B);

7               “(B) the progress in improving the student  
8               outcomes identified by the entity under section  
9               499K(a)(1)(F); and

10              “(C) with respect to the 2 years after such  
11              report is submitted—

12                      “(i) a plan for the use of funds under  
13                      this subpart; and

14                      “(ii) the amount of funds requested  
15                      by the eligible entity under this subpart.

16              “(2) APPROVAL.—Not later than 180 days  
17              after receiving a plan under paragraph (1)(C)(i), the  
18              Secretary shall—

19                      “(A) approve the plan; or

20                      “(B) require revisions to such plan.

21              “(3) REVISIONS REQUIRED.—An eligible entity  
22              shall make such revisions as required by the Sec-  
23              retary under paragraph (2)(B).

24              “(b) FAILURE TO MEET REQUIREMENTS.—If an eli-  
25              gible entity does not meet the annual implementation

1 benchmarks included in the application of such eligible en-  
 2 tity under section 499K(a)(1)(B), as required to be re-  
 3 ported under subsection (a)(1)(A), such eligible entity  
 4 shall submit to the Secretary, at such time and in such  
 5 manner as the Secretary may require—

6           “(1) a written explanation for the delay in  
 7           meeting such requirements; and

8           “(2) a plan that will enable such eligible entity  
 9           to meet such requirements not later than 1 year  
 10          after the date on which the eligible entity submitted  
 11          the written explanation under paragraph (1).

12          “(c) PUBLICATION.—The Secretary shall make each  
 13          plan approved under subsection (a)(2)(A), each plan re-  
 14          vised under subsection (a)(3), and each plan submitted  
 15          under subsection (b)(2) available to the public on the  
 16          website of the Department.

17          **“SEC. 499M. ALLOWABLE USES OF FUNDS.**

18          “(a) IN GENERAL.—Except as provided in subsection  
 19          (b), an eligible entity shall use a grant under this subpart  
 20          only to carry out the plan approved or revised for such  
 21          year under section 499K.

22          “(b) USE OF FUNDS FOR ADMINISTRATIVE PUR-  
 23          POSES.—An eligible entity that receives a grant under this  
 24          subpart may use not more than 5 percent of such grant

1 for administrative purposes relating to the grant under  
2 this subpart.

3 “(c) PROHIBITED USES OF FUNDS.—No funds re-  
4 ceived under this section shall be used to—

5 “(1) pay contractors for the provision of pre-en-  
6 rollment recruitment activities through a revenue  
7 sharing agreement; or

8 “(2) fund endowments, athletics, sectarian in-  
9 struction, or religious worship.

10 **“SEC. 499N. ELIGIBLE ENTITY DEFINED.**

11 “In this subpart, the term ‘eligible entity’ means a  
12 State or Indian tribe that is a recipient of a grant under  
13 subpart 1.

14 **“SEC. 499O. APPROPRIATIONS.**

15 “(a) AUTHORIZATION AND APPROPRIATIONS.—There  
16 are authorized to be appropriated, and there are appro-  
17 priated to carry out this subpart (in addition to any other  
18 amounts appropriated to carry out this subpart and out  
19 of any money in the Treasury not otherwise appropriated),  
20 \$1,000,000,000 for fiscal year 2022 and each succeeding  
21 fiscal year.

22 “(b) AVAILABILITY.—Funds appropriated under sub-  
23 section (a) shall remain available to the Secretary until  
24 expended.”.

1 **TITLE III—PATHWAYS TO STU-**  
 2 **DENT SUCCESS FOR HISTORI-**  
 3 **CALLY BLACK COLLEGES AND**  
 4 **UNIVERSITIES, TRIBAL COL-**  
 5 **LEGES AND UNIVERSITIES,**  
 6 **AND MINORITY-SERVING IN-**  
 7 **STITUTIONS**

8 **SEC. 301. GRANTS TO HISTORICALLY BLACK COLLEGES**  
 9 **AND UNIVERSITIES, TRIBAL COLLEGES AND**  
 10 **UNIVERSITIES, AND MINORITY-SERVING IN-**  
 11 **STITUTIONS.**

12 Part J of title IV of the Higher Education Act of  
 13 1965 (20 U.S.C. 1070 et seq.), as added and amended  
 14 by this Act, is further amended by adding at the end the  
 15 following:

16 **“Subpart 3—Grants to Historically Black Colleges**  
 17 **and Universities, Tribal Colleges and Univer-**  
 18 **sities, and Minority-Serving Institutions**

19 **“SEC. 499P. PATHWAYS TO STUDENT SUCCESS FOR HIS-**  
 20 **TORICALLY BLACK COLLEGES AND UNIVER-**  
 21 **SITIES.**

22 “From amounts appropriated under section 499U(a)  
 23 for any fiscal year, the Secretary shall award grants to  
 24 participating historically Black colleges or universities  
 25 that meet the requirements of section 499S(a) to—

1           “(1) encourage students to enroll and success-  
 2           fully complete a bachelor’s degree at such colleges  
 3           and universities;

4           “(2) provide incentives to community college  
 5           students to transfer to such colleges and universities  
 6           through strong transfer pathways to complete a  
 7           bachelor’s degree program; and

8           “(3) support such colleges and universities to  
 9           better serve new and existing students by engaging  
 10          in reforms and innovations designed to improve com-  
 11          pletion rates and other student outcomes.

12   **“SEC. 499Q. PATHWAYS TO STUDENT SUCCESS FOR TRIBAL**  
 13                   **COLLEGES AND UNIVERSITIES.**

14          “From amounts appropriated under section 499U(a)  
 15          for any fiscal year, the Secretary shall award grants to  
 16          participating Tribal Colleges or Universities that meet the  
 17          requirements of section 499S(a) to—

18               “(1) encourage students to enroll and success-  
 19               fully complete a bachelor’s degree at such Colleges  
 20               and Universities;

21               “(2) provide incentives to community college  
 22               students to transfer to such Colleges and Univer-  
 23               sities through strong transfer pathways to complete  
 24               a bachelor’s degree program; and

1           “(3) support such Colleges and Universities to  
 2           better serve new and existing students by engaging  
 3           in reforms and innovations designed to improve com-  
 4           pletion rates and other student outcomes.

5   **“SEC. 499R. PATHWAYS TO STUDENT SUCCESS FOR ALASKA**  
 6           **NATIVE-SERVING INSTITUTIONS, ASIAN**  
 7           **AMERICAN AND NATIVE AMERICAN PACIFIC**  
 8           **ISLANDER-SERVING INSTITUTIONS, HIS-**  
 9           **PANIC-SERVING INSTITUTIONS, NATIVE**  
 10          **AMERICAN-SERVING NONTRIBAL INSTITU-**  
 11          **TIONS, NATIVE HAWAIIAN-SERVING INSTITU-**  
 12          **TIONS, AND PREDOMINANTLY BLACK INSTI-**  
 13          **TUTIONS.**

14          “From amounts appropriated under section 499U(a)  
 15          for any fiscal year, the Secretary shall award grants to  
 16          participating Alaska Native-serving institutions, Asian  
 17          American and Native American Pacific Islander-serving  
 18          institutions, Hispanic-serving institutions, Native Amer-  
 19          ican-serving nontribal institutions, Native Hawaiian-serv-  
 20          ing institutions, and Predominantly Black institutions  
 21          that meet the requirements of section 499S(a) to—

22               “(1) encourage students to enroll and success-  
 23               fully complete a bachelor’s degree at such institu-  
 24               tions;



1           “(2) provide incentives to community college  
2           students to transfer to such institutions through  
3           strong transfer pathways to complete a bachelor’s  
4           degree program; and

5           “(3) support such institutions to better serve  
6           new and existing students by engaging in reforms  
7           and innovations designed to improve completion  
8           rates and other student outcomes.

9   **“SEC. 499S. GRANT TERMS.**

10          “(a) INSTITUTIONAL ELIGIBILITY.—An institution  
11       shall meet the requirements of this subsection if the insti-  
12       tution—

13               “(1) in a public or nonprofit 4-year institution  
14               that has a student body of which not less than 35  
15               percent are low-income students;

16               “(2) commits to maintaining or adopting and  
17               implementing promising and evidence-based institu-  
18               tional reforms and innovative practices to improve  
19               the completion rates and other student outcomes,  
20               such as—

21                       “(A) providing comprehensive academic,  
22                       career, and student support services (including  
23                       mentoring, advising, case management services,  
24                       and career pathway navigation), especially for  
25                       low-income, first-generation, and adult stu-

1 dents, and other students belonging to racial  
2 and other groups that are historically underrep-  
3 resented in higher education;

4 “(B) providing direct support services, or  
5 assistance in applying for such services, such  
6 as—

7 “(i) childcare, transportation, and  
8 emergency financial assistance;

9 “(ii) assistance in obtaining health in-  
10 surance coverage and accessing health care  
11 services, including behavioral and mental  
12 health services;

13 “(iii) affordable housing;

14 “(iv) nutrition assistance programs or  
15 free or discounted food; and

16 “(v) means-tested Federal benefit pro-  
17 grams, or similar State, tribal, or local  
18 benefit programs;

19 “(C) providing accelerated learning oppor-  
20 tunities and degree pathways, such as dual or  
21 concurrent enrollment programs and pathways  
22 to graduate and professional degree programs;

23 “(D) partnering with employers, industry,  
24 nonprofit associations, and other groups to pro-

1           vide opportunities to advance learning outside  
2           the classroom, including—

3                   “(i) work-based learning opportunities  
4                   (such as internships or apprenticeships); or

5                   “(ii) programs designed to improve  
6                   inter-cultural development and personal  
7                   growth (such as foreign exchange and  
8                   study abroad programs); or

9                   “(E) strengthening remedial education, es-  
10                  pecially for low-income, first-generation, and  
11                  adult students, and other students belonging to  
12                  racial and other groups that are historically  
13                  underrepresented in higher education, including  
14                  through the use of multiple measures (such as  
15                  a student’s college entrance examination score,  
16                  grade point average, high school course list, or  
17                  a placement examination) to identify students  
18                  in need of remedial education;

19                  “(3) sets performance goals for improving stu-  
20                  dent outcomes for the duration of the grant; and

21                  “(4) if receiving a grant for transfer students,  
22                  has a formal, statewide articulation agreement with  
23                  community colleges in the State in which such insti-  
24                  tution operates that guarantees—

1           “(A) that a student who earns postsec-  
 2           ondary credit at any community college in such  
 3           State shall be able to fully transfer such credit  
 4           toward meeting related degree or certificate re-  
 5           quirements at such institution; and

6           “(B) that associate degrees awarded by  
 7           community colleges in the State are fully trans-  
 8           ferable to, and credited as, the first 2 years of  
 9           related baccalaureate programs at such institu-  
 10          tion.

11          “(b) GRANT AMOUNT.—

12           “(1) INITIAL AMOUNT.—For the first year that  
 13           an eligible institution participates in the grant pro-  
 14           gram under this subpart and subject to paragraph  
 15           (3), such eligible institution shall receive a grant in  
 16           an amount based on the product of—

17           “(A) the actual cost of tuition and fees at  
 18           the eligible institution in such year (referred to  
 19           in this subpart as the per-student rebate); and

20           “(B) the number of eligible students en-  
 21           rolled in the eligible institution for the pre-  
 22           ceding year.

23           “(2) SUBSEQUENT INCREASES.—For each suc-  
 24           ceeding year after the first year of the grant pro-  
 25           gram under this subpart, each participating eligible

1 institution shall receive a grant in the amount deter-  
 2 mined under paragraph (1) for such year, except  
 3 that in no case shall the amount of the per-student  
 4 rebate for an eligible institution increase by more  
 5 than 3 percent as compared to the amount of such  
 6 rebate for the preceding year.

7 “(3) LIMITATIONS.—

8 “(A) MAXIMUM PER-STUDENT REBATE.—

9 No eligible institution participating in the grant  
 10 program under this subpart shall receive a per-  
 11 student rebate amount for any year that is  
 12 greater than the national average of annual tui-  
 13 tion and fees at public 4-year institutions of  
 14 higher education for such year, as determined  
 15 by the Secretary.

16 “(B) FIRST-YEAR TUITION AND FEES.—

17 During the first year of participation in the  
 18 grant program under this subpart, no eligible  
 19 institution may increase tuition and fees at a  
 20 rate greater than any annual increase at the eli-  
 21 gible institution in the previous 5 years.

22 “(4) STUDENTS ENROLLED LESS THAN FULL-

23 TIME.—The Secretary shall develop and implement a  
 24 formula for making adjustments to grant amounts  
 25 under this subpart based on the number of eligible

1 students at each eligible institution enrolled less  
2 than full-time and the associated tuition and fees  
3 charged to such students in proportion to the degree  
4 to which each such student is not attending on a  
5 full-time basis.

6 “(c) APPLICATION.—An eligible institution that de-  
7 sires a grant under this subpart shall submit an applica-  
8 tion to the Secretary at such time, in such manner, and  
9 containing such information as the Secretary may require.

10 “(d) USE OF FUNDS.—Funds awarded under this  
11 subpart to a participating eligible institution shall be used  
12 to waive or significantly reduce tuition and fees for eligible  
13 students by an amount not to exceed the annual per-stu-  
14 dent rebate amount. Such funds under this subpart may  
15 only be used to waive or reduce tuition and fees for the  
16 first 60 credits for which an eligible student is enrolled  
17 in the participating eligible institution.

18 “(e) SUPPLEMENT, NOT SUPPLANT.—Funds made  
19 available under section 499U to carry out this subpart  
20 shall be used to supplement, and not supplant, other Fed-  
21 eral, State, tribal, and local funds that would otherwise  
22 be expended to carry out activities under this subpart.

23 **“SEC. 499T. DEFINITIONS.**

24 “In this subpart:

1           “(1) ALASKA NATIVE-SERVING INSTITUTION.—  
 2           The term ‘Alaska Native-serving institution’ has the  
 3           meaning given such term in section 317(b).

4           “(2) ASIAN AMERICAN AND NATIVE AMERICAN  
 5           PACIFIC ISLANDER-SERVING INSTITUTION.—The  
 6           term ‘Asian American and Native American Pacific  
 7           Islander-serving institution’ has the meaning given  
 8           such term in section 371(c).

9           “(3) ELIGIBLE STUDENT.—The term ‘eligible  
 10          student’ means a student, regardless of age, who—

11               “(A) is enrolled in an eligible program (as  
 12               defined in section 481(b)) at a participating eli-  
 13               gible institution, on at least a half-time basis;

14               “(B) is a low-income student;

15               “(C) has been enrolled at such partici-  
 16               pating eligible institution under this subpart for  
 17               not more than 60 credits; and

18               “(D) has not been enrolled (whether full-  
 19               time or less than full-time) for more than 6 se-  
 20               mesters (or the equivalent) for which the stu-  
 21               dent received a benefit under this subpart.

22          “(4) HISPANIC-SERVING INSTITUTION.—The  
 23          term ‘Hispanic-serving institution’ has the meaning  
 24          given such term in section 502.

1           “(5) HISTORICALLY BLACK COLLEGE OR UNI-  
 2           VERSITY.—The term ‘historically Black college or  
 3           university’ means a part B institution described in  
 4           section 322(2).

5           “(6) LOW-INCOME STUDENT.—The term ‘low-  
 6           income student’ shall include—

7                   “(A) any student eligible for a Federal Pell  
 8                   Grant under section 401; and

9                   “(B) any student who meets the financial  
 10                  eligibility criteria for receiving a Federal Pell  
 11                  Grant under section 401, but who is ineligible  
 12                  to receive a Federal Pell Grant.

13           “(7) NATIVE AMERICAN-SERVING NONTRIBAL  
 14           INSTITUTION.—The term ‘Native American-serving  
 15           nontribal institution’ has the meaning given such  
 16           term in section 371(c).

17           “(8) NATIVE HAWAIIAN-SERVING INSTITU-  
 18           TION.—The term ‘Native Hawaiian-serving institu-  
 19           tion’ has the meaning given such term in section  
 20           317(b).

21           “(9) PREDOMINANTLY BLACK INSTITUTION.—  
 22           The term ‘Predominantly Black institution’ has the  
 23           meaning given such term in section 371(c).



1           “(10) TRIBAL COLLEGE OR UNIVERSITY.—The  
 2           term ‘Tribal College or University’ has the meaning  
 3           given the term in section 316(b)(3).

4   **“SEC. 499U. APPROPRIATIONS.**

5           “(a) AUTHORIZATION AND APPROPRIATIONS FOR  
 6   HBCU, TCU, AND MSI GRANTS.—For the purpose of  
 7   carrying out this subpart there are authorized to be appro-  
 8   priated, and there are appropriated—

9           “(1) \$98,100,000 for fiscal year 2022;

10          “(2) \$321,040,000 for fiscal year 2023;

11          “(3) \$1,912,010,000 for fiscal year 2024;

12          “(4) \$1,988,710,000 for fiscal year 2025;

13          “(5) \$2,068,960,000 for fiscal year 2026;

14          “(6) \$2,151,010,000 for fiscal year 2027;

15          “(7) \$2,184,900,000 for fiscal year 2028;

16          “(8) \$2,329,370,000 for fiscal year 2029;

17          “(9) \$2,423,910,000 for fiscal year 2030; and

18          “(10) \$2,521,990,000 for fiscal year 2031 and

19          each succeeding fiscal year.

20          “(b) AVAILABILITY.—Funds appropriated under sub-  
 21   section (a) for a fiscal year are to remain available to the  
 22   Secretary through the two fiscal years following such fiscal  
 23   year.

24          “(c) INSUFFICIENT FUNDS.—If the amount appro-  
 25   priated under subsection (a) for a fiscal year is not suffi-

1   cient to award each institution participating in the grant  
2   programs under sections 499P, 499Q, and 499R a grant  
3   under this subpart equal to 100 percent of the grant  
4   amount determined under section 499S(b), the Secretary  
5   may ratably reduce the amount of each such grant or take  
6   other actions necessary to ensure an equitable distribution  
7   of such amount appropriated under subsection (a).”.

○