

Following is the statutory language for the new Academic Competitiveness Grant and National Science and Mathematics Access to Retain Talent (SMART) Grant, as posted on NASFAA's HERA Implementation Resources page at www.NASFAA.org/HERA.asp

SEC. 401A. ACADEMIC COMPETITIVENESS GRANTS.

(a) ACADEMIC COMPETITIVENESS GRANT PROGRAM.—

(1) ACADEMIC COMPETITIVENESS GRANTS AUTHORIZED.—The Secretary shall award grants, in the amounts specified in subsection (d)(1), to eligible students to assist the eligible students in paying their college education expenses.

(2) ACADEMIC COMPETITIVENESS COUNCIL.—

(A) ESTABLISHMENT.—There is established an Academic Competitiveness Council (referred to in this paragraph as the 'Council'). From the funds made available under subsection (e) for fiscal year 2006, \$50,000 shall be available to the Council to carry out the duties described in subparagraph (B). The Council shall be chaired by the Secretary of Education, and the membership of the Council shall consist of officials from Federal agencies with responsibilities for managing existing Federal programs that promote mathematics and science (or designees of such officials with significant decision-making authority).

(B) DUTIES.—The Council shall—

- (i) identify all Federal programs with a mathematics or science focus;
- (ii) identify the target populations being served by such programs;
- (iii) determine the effectiveness of such programs;
- (iv) identify areas of overlap or duplication in such programs; and
- (v) recommend ways to efficiently integrate and coordinate such programs.

(C) REPORT.—Not later than one year after the date of enactment of the Higher Education Reconciliation Act of 2005, the Council shall transmit a report to each committee of Congress with jurisdiction over a Federal program identified under subparagraph (B)(i), detailing the findings and recommendations under subparagraph (B), including recommendations for legislative or administrative action.

(b) DESIGNATION.—A grant under this section—

(1) for the first or second academic year of a program of undergraduate education shall be known as an 'Academic Competitiveness Grant'; and

(2) for the third or fourth academic year of a program of undergraduate education shall be known as a 'National Science and Mathematics Access to Retain Talent Grant' or a 'National SMART Grant'.

(c) DEFINITION OF ELIGIBLE STUDENT.—In this section the term 'eligible student' means a full-time student who, for the academic year for which the determination of eligibility is made—

(1) is a citizen of the United States;

(2) is eligible for a Federal Pell Grant; and

(3) in the case of a student enrolled or accepted for enrollment in—

(A) the first academic year of a program of undergraduate education at a two- or four-year degree-granting institution of higher education—

(i) has successfully completed, after January 1, 2006, a rigorous secondary school program of study established by a State or local educational agency and recognized as such by the Secretary; and

(ii) has not been previously enrolled in a program of undergraduate education;

(B) the second academic year of a program of undergraduate education at a two- or four-year degree-granting institution of higher education—

(i) has successfully completed, after January 1, 2005, a rigorous secondary school program of study established by a State or local educational agency and recognized as such by the Secretary; and

(ii) has obtained a cumulative grade point average of at least 3.0 (or the equivalent as determined under regulations prescribed by the Secretary) at the end of the first academic year of such program of undergraduate education; or

(C) the third or fourth academic year of a program of undergraduate education at a four-year degree-granting institution of higher education—

(i) is pursuing a major in—

(I) the physical, life, or computer sciences, mathematics, technology, or engineering (as determined by the Secretary pursuant to regulations); or

(II) a foreign language that the Secretary, in consultation with the Director of National Intelligence, determines is critical to the national security of the United States; and

(ii) has obtained a cumulative grade point average of at least 3.0 (or the equivalent as determined under regulations prescribed by the Secretary) in the coursework required for the major described in clause (i).

(d) GRANT AWARD.—

(1) AMOUNTS.—

(A) The Secretary shall award a grant under this section in the amount of—

(i) \$750 for an eligible student under subsection (c)(3)(A);

(ii) \$1,300 for an eligible student under subsection (c)(3)(B); or

(iii) \$4,000 for an eligible student under subsection (c)(3)(C).

(B) Notwithstanding subparagraph (A)—

(i) the amount of such grant, in combination with the Federal Pell Grant assistance and other student financial assistance available to such student, shall not exceed the student's cost of attendance;

(ii) if the amount made available under subsection (e) for any fiscal year is less than the amount required to be provided grants to all eligible students in the amounts determined under subparagraph (A) and clause (i) of this subparagraph, then the amount of the grant to each eligible student shall be ratably reduced; and

(iii) if additional amounts are appropriated for any such fiscal year, such reduced amounts shall be increased on the same basis as they were reduced.

(2) LIMITATIONS.—The Secretary shall not award a grant under this section—

(A) to any student for an academic year of a program of undergraduate education described in subparagraph (A), (B), or (C) of subsection (c)(3) for which the student received credit before the date of enactment of the Higher Education Reconciliation Act of 2005; or

(B) to any student for more than—

(i) one academic year under subsection (c)(3)(A);

(ii) one academic year under subsection (c)(3)(B); or

(iii) two academic years under subsection (c)(3)(C).

(e) FUNDING.—

(1) AUTHORIZATION AND APPROPRIATION OF FUNDS.—There are authorized to be appropriated, and there are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Education to carry out this section—

(A) \$790,000,000 for fiscal year 2006;

(B) \$850,000,000 for fiscal year 2007;

(C) \$920,000,000 for fiscal year 2008;

(D) \$960,000,000 for fiscal year 2009; and

(E) \$1,010,000,000 for fiscal year 2010.

(2) USE OF EXCESS FUNDS.—If, at the end of a fiscal year, the funds available for awarding grants under this section exceed the amount necessary to make such grants in the amounts authorized by subsection (d), then all of the excess funds shall remain available for awarding grants under this section during the subsequent fiscal year.

(f) RECOGNITION OF PROGRAMS OF STUDY.—The Secretary shall recognize at least one rigorous secondary school program of study in each State under subsection (c)(3)(A) and (B) for the purpose of determining student eligibility under such subsection.

(g) SUNSET PROVISION.—The authority to make grants under this section shall expire at the end of academic year 2010–2011.